*Number of Company* .....

Form No. 41.

# THE COMPANIES ACT, 1929.

A 5s. Companies' Registration Fee Stamp must be *impressed* here.

**DECLARATION** of Compliance with the requirements of the Companies Act, 1929, on application for registration of a Company.

*Pursuant to Section* 15 (2).

REGISTERED 27 JAN 1936

*Insert the Name of the Company.*

CARPET TRADES

**LIMITED.**

*Presented by*

LIMLATERS & PAINES

2 Bond Court

Walbrook E.C.4

The Solicitors' Law Stationery Society, Limited,
22 Chancery Lane, W.C.2; 27 & 28 Walbrook, E.C.4; 49 Bedford Row, W.C.1; 6 Victoria Street, S.W.1;
15 Hanover Street, W.1; 19 & 21 North John Street, Liverpool, 2; and 66 St. Vincent Street, Glasgow.
PRINTERS AND PUBLISHERS OF COMPANIES' BOOKS AND FORMS.

I, FREDERICK HENRY STUART BRANSON

of 2 Bond Court Walbrook in the City of London

(a) Here insert: "A Solicitor of the "Supreme Court" (or *in Scotland* "an Enrolled Law "Agent") "engaged "in the formation." or "A person named "in the Articles of "Association as a "Director or "Secretary."

Do solemnly and sincerely declare that I am (a) a Solicitor of the Supreme Court engaged in the formation

of CARPET TRADES

Limited, and that all the requirements of the Companies Act, 1929 in respect of matters precedent to the registration of the said Company and incidental thereto have been complied with, and I make this solemn Declaration conscientiously believing the same to be true and by virtue of the provisions of the "Statutory Declarations Act, 1835."

This margin is reserved for binding and should not be written across

Declared at 2 Bond Court Walbrook in the City of London

the 22nd day of Jan 1936

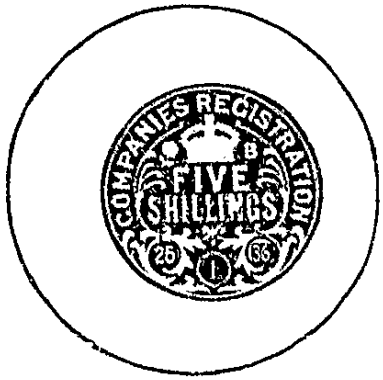
Before me,

Fred. H. Branson

No. of Company } 2

[C.A. 2.]

# THE COMPANIES ACT, 1929.




A 5/- Companies' Registration Fee Stamp to be *impressed* here.

## CONSENT TO ACT AS DIRECTOR OF A COMPANY.

*Pursuant to Section 140 (1) (a).*

REGISTERED
27 JAN 1936

Name of Company. CARPET TRADES Limited.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
LONDON WALL, BIRCHIN LANE, AND 49 PARLIAMENT STREET, LONDON;
AND TEMPLE ROW, BIRMINGHAM.

Presented by LINKLATERS & PAINES,
2, BOND COURT,
WALBROOK, E.C. 4

To the Registrar of Companies,

I/We, the undersigned, hereby testify my or our consent to act as Director of _____

_____

_____ CARPET TRADES _____ Limited,

pursuant to S. 140 (1) (a) of the Companies Act, 1929.

(a) If a Director signs by "his agent authorised in writing," the authority must be produced.

| (a) Signature. | Address. | Description. |
|---|---|---|
| W. Guy Granet<br>Attorney | 27, Pembroke Gardens<br>London W. 8. | G.B.E.<br>Merchant Banker. |
| Frederick Shire. | Dunley Hall,<br>Stourport,<br>Worcestershire | Baronet<br>Yarn Spinner. |
| Y. A. P. Peake (21/11/36) | South View, Church<br>Stretton, Salop. | Yarn Spinner |
| Charles Gabriel | 64, Duchy Road,<br>Harrogate | Yarn Spinner |
| Edwin Read. | 2, South Bolton Gardens<br>London S.W. 5. | Merchant Banker. |
| | Church House,<br>Hartlebury,<br>Worcestershire | Carpet Manufacturer. |

Dated this 22nd day of January 1936

# THE COMPANIES ACT, 1929.

A 5/- Companies' Registration Fee Stamp to be *impressed* here.

CONTRACT by a Director to take qualifying shares in

REGISTERED 27 JAN 1936

CARPET TRADES Limited,

to be signed and filed pursuant to Section 140 (iii) of the Companies Act, 1929.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
LONDON WALL, BIRCHIN LANE, AND 49 PARLIAMENT STREET, LONDON;
AND TEMPLE ROW, BIRMINGHAM.

Presented by
LINKLATERS & PAINES,
2, BOND COURT,
WALBROOK, E.C. 4.

CARPET TRADES Limited

* "I" or "We."

I *the undersigned Arthur James Ograh of 64 Wetherby Road, Harrogate, Yorkshire

having consented to act as Director of

Carpet Trades Limited,

hereby ~~severally~~ undertake and agree to take from the said Company and to pay for shares of the Company of the nominal value of

One hundred pounds,

this being the amount fixed by the Articles of Association of the Company as the qualification of a Director of the Company.

Dated this 21st day of January 1936

Signed by the said Arthur James Ograh

A. J. Ograh

in the presence of Herbert Henry Summers.
Minister of Religion
19 Hollins Rd
Harrogate.

NOTE.—This Agreement must be stamped with duty 6d., to be denoted either by an adhesive stamp over which the Director should sign, or by a stamp impressed within fourteen days of the date of the Agreement. A stamp is required for each signature.

No. of Company }

[C.A. 20. 1934-35.]

# THE COMPANIES ACT, 1929.

A 5/- Companies' Registration Fee Stamp to be *impressed* here.

CONTRACT by a Director to take qualifying shares in

REGISTERED 27 JAN 1936

CARPET TRADES Limited,

to be signed and filed pursuant to Section 140 (iii) of the Companies Act, 1929.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
LONDON WALL, BIRCHIN LANE, AND 49 PARLIAMENT STREET, LONDON;
AND TEMPLE ROW, BIRMINGHAM.

Presented by LINKLATERS & PAINES

CARPET TRADES Limited

---

* "I" or "We."

I *the undersigned Frederick Lowe of South View, Church Stretton, Salop Yarn Spinner

having consented to act as Director of

Carpet Trades Limited,

hereby ~~severally~~ undertake and agree to take from the said Company and to pay for shares of the Company of the nominal value of

One hundred pounds,

this being the amount fixed by the Articles of Association of the Company as the qualification of a Director of the Company.

Dated this 22nd day of January 19 36

Signed by the said Frederick Lowe

Frederick Lowe.

in the presence of

W. T. Chambers,
Managing Clerk with
Messrs. Price and Co.
Solicitors
Birmingham

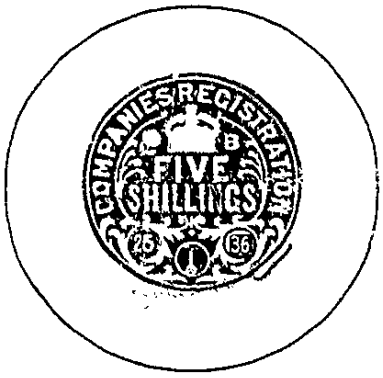
---

NOTE.—This Agreement must be stamped with duty 6d., to be denoted either by an adhesive stamp over which the Director should sign, or by a stamp impressed within fourteen days of the date of the Agreement. A stamp is required

No. of Company

[C.A. 20. 16-5-35.]

# THE COMPANIES ACT, 1929.




A 5/- Companies' Registration Fee Stamp to be impressed here.

CONTRACT by a Director to take qualifying shares in

REGISTERED
27 JAN 1936

CARPET TRADES Limited,

to be signed and filed pursuant to Section 140 (iii) of the Companies Act, 1929.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
LONDON WALL, BIRCHIN LANE, AND 49 PARLIAMENT STREET, LONDON;
AND TEMPLE ROW, BIRMINGHAM.

Presented by LINKLATERS & PAINES

2 Bond Court, Walbrook, E.C.4

CARPET TRADES Limited.

* "I" or "We." I *the undersigned Charles Lyall Walpiel of 2 South Bolton Gardens, London S.W. Merchant Banker

having consented to act as Director of

Carpet Trades Limited,

hereby ~~severally~~ undertake and agree to take from the said Company and to pay for shares of the Company of the nominal value of

One hundred pounds,

this being the amount fixed by the Articles of Association of the Company as the qualification of a Director of the Company.

Dated this 22nd day of January 1936.

Signed by the said Charles Lyall Walpiel

Charles L. Walpiel

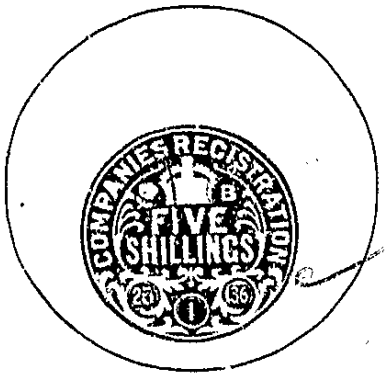
in the presence of

W. L. Chambers, managing Clerk with Messrs Pinsent & Co. Solicitors Birmingham

NOTE.—This Agreement must be stamped with duty 6d., to be denoted either by an adhesive stamp over which the Director should sign, or by a stamp impressed within fourteen days of the date of the Agreement. A stamp is required

No. of Company

# THE COMPANIES ACT, 1929.




A 5/- Companies' Registration Fee Stamp to be *impressed* here.

CONTRACT by a Director to take qualifying shares in

REGISTERED
27 JAN 1936

CARPET TRADES Limited,

to be signed and filed pursuant to Section 140 (iii) of the Companies Act, 1929.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
LONDON WALL, BIRCHIN LANE, AND 49 PARLIAMENT STREET, LONDON;
AND TEMPLE ROW, BIRMINGHAM.

Presented by LINKLATERS & PAINES

2 Bond Court Walbrook E.C.4

CARPET TRADES Limited.

* "I" or "We."

I * the undersigned Sir William Guy Granet of 27 Pembroke Gardens, London. W.8. K.B.E. Merchant Banker

having consented to act as Director of

Carpet Trades Limited,

hereby ~~severally~~ undertake and agree to take from the said Company and to pay for shares of the Company of the nominal value of

One hundred pounds,

this being the amount fixed by the Articles of Association of the Company as the qualification of a Director of the Company.

Dated this 22nd day of January 1936

Signed by the said Sir William Guy Granet

W. Guy Granet

in the presence of

N. L. Chambers Clerk
Managing Director to
with Messrs. Orisen & Co.
Solicitors
Birmingham

NOTE.—This Agreement must be stamped with duty 6d., to be denoted either by an adhesive stamp over which the Director should sign, or by a stamp impressed within fourteen days of the date of the Agreement. A stamp is required for each signature.

No. of Company

[C.A. 20. 1929.]

# THE COMPANIES ACT, 1929.

A 6/- Companies' Registration Fee Stamp to be *impressed* here.

CONTRACT by a Director to take qualifying shares in

REGISTERED 27 JAN 1936

CARPET TRADES Limited,

to be signed and filed pursuant to Section 140 (iii) of the Companies Act, 1929.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
LONDON WALL, BIRCHIN LANE, AND 49 PARLIAMENT STREET, LONDON;
AND TEMPLE ROW, BIRMINGHAM.

Presented by LINKLATERS & PAINES

CARPET TRADES Limited.

---

* "I" or "We."

I *the undersigned Sir Thomas Lydney Lea of Dunley Hall. Stourport-Worcestershire Baronet

having consented to act as Director of

Carpet Trades Limited,

hereby ~~severally~~ undertake and agree to take from the said Company and to pay for shares of the Company of the nominal value of

One hundred pounds,

this being the amount fixed by the Articles of Association of the Company as the qualification of a Director of the Company.

Dated this 12th day of January 1936

Signed by the said Sir Thomas Lydney Lea

in the presence of

W. J. Chambers.
Managing Clerk
with Messrs Wilkins Vincent & Co.
Solicitors
Birmingham

---

NOTE.—This Agreement must be stamped with duty 6d., to be denoted either by an adhesive stamp over which the Director should sign, or by a stamp impressed within fourteen days of the date of the Agreement. A stamp is required for each signature.

No. of Company }

[C.A. 20. 15-5-33.]

# THE COMPANIES ACT, 1929.

A 5/- Companies' Registration Fee Stamp to be *impressed* here.

CONTRACT by a Director to take qualifying shares in

REGISTERED 27 JAN 1936

CARPET TRADES Limited,

to be signed and filed pursuant to Section 140 (iii) of the Companies Act, 1929.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
LONDON WALL, BIRCHIN LANE, AND 49 PARLIAMENT STREET, LONDON;
AND TEMPLE ROW, BIRMINGHAM.

Presented by LINKLATERS & PAINES

CARPET TRADES Limited.

* "I" or "We." I *the undersigned Edwin Read of Church House, Hagley, Worcestershire, Carpet-manufacturer

having consented to act as Director of

Carpet Trades Limited,

hereby ~~severally~~ undertake and agree to take from the said Company and to pay for shares of the Company of the nominal value of

One hundred pounds,

this being the amount fixed by the Articles of Association of the Company as the qualification of a Director of the Company.

Dated this 22nd day of January 1936

Signed by the said Edwin Read — Edwin Read

in the presence of

W. L. Chambers, managing clerk with Messrs Quinsentz & Co. Solicitors Birmingham

NOTE.—This Agreement must be stamped with duty 6d., to be denoted either by an adhesive stamp over which the Director should sign, or by a stamp impressed within fourteen days of the date of the Agreement. A stamp is required for each signature.

*Number of Company* 10

# THE STAMP ACT, 1891.

(54 & 55 VICT., CH. 39.)

COMPANY LIMITED BY SHARES.

# Statement of the Nominal Capital

OF

CARPET TRADES

REGISTERED 27 JAN 1936

LIMITED.

**Pursuant to Section 112 of the Stamp Act 1891, as amended by Section 7 of the Finance Act 1899, Section 39 of the Finance Act 1920, and Section 41 of the Finance Act 1933.**

*NOTE.—The Stamp Duty on the Nominal Capital is Ten Shillings for every* £100 *or fraction of* £100.

This Statement is to be filed with the Memorandum of Association or other Document when the Company is registered.

*Presented by*

LINKLATERS & PAINES

2 Bond Court, Walbrook, E.C.4

THE SOLICITORS' LAW STATIONERY SOCIETY, LIMITED,
22 Chancery Lane, W.C.2, 27 & 28 Walbrook, E.C.4, 49 Bedford Row, W.C.1, 6 Victoria Street, S.W.1, 15 Hanover Street, W.1, 19 & 21 North John Street, Liverpool, 2, 77 Colmore Row, Birmingham, 3, 66 St. Vincent Street, Glasgow, C.2.
PRINTERS AND PUBLISHERS OF COMPANIES' BOOKS AND FORMS.

# THE NOMINAL CAPITAL

OF

CARPET TRADES, *Limited,*

*is* £ 500,000, *divided into* 1,000,000

*Shares of* 10/s- *each.*

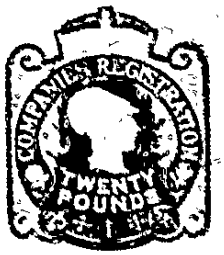
**Signature* Linklaters & Paines

*Officer* Solicitors to the Company

Dated the 22nd day of January 1936

** This Statement should be signed by an Officer of the Company.*

/1




THE COMPANIES ACT, 1929.

---

*COMPANY LIMITED BY SHARES.*

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# Memorandum of Association

— OF —

# CARPET TRADES LIMITED.

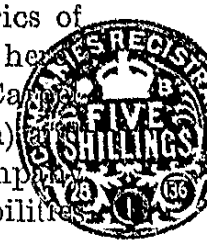
---

1. The name of the Company is "CARPET TRADES LIMITED."

2. The registered office of the Company will be situate in England.

3. The objects for which the Company is formed are:—

(1) To purchase or otherwise acquire the goodwill of the business of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto heretofore carried on by C.X.T. Limited (formerly Carpet Trades Limited and now in voluntary liquidation) and all or any part or parts of the assets of the said Company and to take over and undertake all or any of the liabilities of the said business and Company upon such terms as shall be thought fit and for that purpose to enter into and carry into effect with or without modification an Agreement expressed to be made between C.X.T. Limited (now in voluntary liquidation) of the first part John Benjamin Hill the Liquidator of C.X.T. Limited of the second part and this Company of the third part and to carry on and develop the said business.



(2) To carry on all or any of the businesses of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto spinners doublers or twisters of cotton flax hemp jute wool and wool derivatives and other fibrous substances bleachers dyers makers and dealers in bleaching and dyeing materials: to buy sell sort comb card prepare weave felt or otherwise manufacture dye finish and otherwise deal with and deal in in the raw manufactured or semi-manufactured state wool and wool derivatives cotton flax hemp jute silk and other fibrous substances and other goods and fabrics of all kinds and to subscribe for acquire and hold shares stocks or securities of companies whose objects include the carrying on of all or any such businesses as aforesaid.

(3) To carry on the business of mechanical engineers iron founders and manufacturers of machinery of all kinds tool makers brass founders metal workers boiler makers millwrights machinists iron and steel convertors smiths woodworkers builders painters metallurgists electrical and water engineers gas makers and merchants and to buy sell manufacture repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the manufacturing or engineering business of the Company or any contract undertaken by the Company and either for the purpose only of such contract or of any independent business.

(4) To construct execute carry out improve work develop administer manage or control public or private works or conveniences of all kinds including railways tramways roads canals docks reservoirs embankments markets sewerage or drainage water gas electric light hydraulic irrigation and other works and to lay out land for building and to construct and maintain roads or streets and to erect work or operate or advance money

for the purpose of erecting working or operating dwellinghouses warehouses hotels shops stores factories mills and every other description of buildings.

(5) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company.

(6) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business similar analogous or subsidiary to any of the objects of the Company.

(7) To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any branch or business so carried on or for financing any such subsidiary company or a company which is directly or indirectly controlled by this Company or in which this Company holds a substantial interest or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business and to act as directors or managers of or to appoint directors or managers of any such subsidiary company or of any other company in which this Company is interested.

(8) To purchase lease or otherwise acquire and build upon any land and to alter enlarge rebuild or otherwise improve any buildings or other property from time to time belonging to the Company or in which the Company may be interested.

(9) To buy or otherwise acquire underwrite issue hold place sell lend money on the security of or otherwise deal with stocks shares bonds debentures and securities of all kinds and to give any guaranty or security in relation thereto or otherwise in connection with any stocks shares bonds debentures or securities.

(10) To purchase or by any other means acquire and protect prolong and renew in the United Kingdom or in any part of the world any patents patent rights brevets d'invention licences protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend money in experimenting upon and testing and in improving or seeking to improve any patents inventions or rights which the Company may acquire or propose to acquire.

(11) To pay for any property acquired by the Company in shares stock profit-sharing certificates bonds debentures debenture stock or obligations of the Company whether fully or partly paid.

(12) To borrow raise or secure the repayment of money by debentures debenture stock bonds or other obligations and securities of the Company which may be secured upon all or any part of the property of the Company (both present and future) including its uncalled capital or by receiving moneys on loan or deposit at interest or otherwise or in such manner and on such terms as may seem expedient.

(13) To guarantee or become liable for the payment of money or for the performance of any obligations also to transact all kinds of agency business.

(14) To grant pensions allowances gratuities and bonuses to persons who are or have at any time been employed by or trading with the Company or any predecessor of the Company in business or to the wives widows families relatives or dependents of any such persons and to support and subscribe to any schools and any educational scientific literary religious or charitable institution or trade societies whether such societies be solely connected with the trade carried on by the Company or not and any club or other establishment calculated to advance the interests of the Company or of any such persons as aforesaid

(15) To make accept endorse discount issue and execute promissory notes bills of exchange and other negotiable instruments.

(16) To invest lend or deal with the moneys of the Company not immediately required upon such securities or investments (not being shares of the Company) or in such manner as may from time to time be determined.

(17) To enter into partnership or any joint purse arrangement or any arrangement for sharing profits union of interests or co-operation with any company firm or person carrying on or proposing to carry on any business within the objects of this Company and to acquire and hold shares stock or securities of any such company and to lend money to guarantee the contracts of or otherwise assist any such company firm or person.

(18) To establish or promote subsidise and assist or concur in establishing or promoting subsidising and assisting any other companies syndicates and partnerships British or foreign whose objects shall include the acquisition and taking over of all or any of the assets rights and liabilities of or shall be considered in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire hold and deal in and with the shares stock or securities of and guarantee the payment of any securities issued by or any other obligation of any such company or the payment of dividends on the shares or stocks of any such company.

(19) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) or any corporations companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government authority corporation company or person any charters contracts decrees rights privileges and concessions which the Company may think desirable and to carry out exercise and comply with any such charters contracts decrees rights privileges and concessions.

(20) To promote any bills in Parliament for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in its constitution or furthering the interests of its Members and to support or oppose any bills in Parliament promoted by others.

(21) To amalgamate with any other company whose objects are or include objects similar to any of those of this Company whether by sale or purchase (for shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any such other company as aforesaid or by partnership or any arrangement of the nature of partnership or in any other manner.

(22) To sell exchange let on rent royalty tribute share of profits or otherwise grant licences easements and other rights of and over and in any other manner deal with turn to account or dispose of the undertaking and all or any of the property assets rights and effects for the time being of the Company for such consideration as may be thought fit and in particular wholly or partly for shares stocks debentures or securities or obligations of any other company or of any authority (supreme municipal local or otherwise).

(23) To distribute among the Members or any class of Members in specie any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(24) To pay all or any part of the expenses of and incident to the formation and establishment of this Company and to remunerate any parties for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures debenture stock or other securities of the Company or in or about the conduct of the Company's business.

(25) To do all or any of the above things in any part of the world and either as principals or agents and either through agents trustees or otherwise and either alone or in conjunction with others.

(26) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

Provided that nothing herein contained shall empower the Company to carry on the business of assurance or to grant annuities within the meaning of the Assurance Companies Act 1909 as extended by the Industrial Assurance Act 1923 or the Road Traffic Acts 1930 to 1934 or to re-insure any risks under any class of assurance business to which those Acts apply.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere and that the objects specified in the different paragraphs of this clause shall except where otherwise expressed in such paragraphs be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

4. The liability of the Members is limited.

5. The share capital of the Company is £500,000 divided into 1,000,000 shares of 10s. each.

WE the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS. | Number of Shares taken by each Subscriber. |
|---|---|
| William Laurie Wilson<br>Bellmans Mountbill Avenue,<br>Chelmsford Essex<br>Statistician | One Ordinary |
| Sidney George Dinner<br>18 Brunswick Place<br>Hove. Sussex.<br>Accountant | One Ordinary |
| Alfred Ernest McHeall<br>"Cranleigh" Brancaster Lane<br>Purley, Surrey.<br>Clerk. | One Ordinary |
| Peter Williamson<br>19 Westmont Road<br>Esher, Surrey. Clerk | One Ordinary |
| Andrew Harroway Pearson<br>4 Westhall Road.<br>Kew Gardens<br>Richmond, Surrey. Clerk. | One Ordinary |
| Herbert Sydney Cumming<br>11 Hill View Gardens.<br>Hendon N.W.4 Bank Official | One Ordinary |
| Valentine Thomas Barker.<br>99 Falmouth Avenue<br>Hitchams Park London E.4<br>Bank Cashier | One Ordinary |

DATED the 21st day of January, 1936.

WITNESS to the above signatures:—

P. M. Harvey,
Fairlight,
Castle Lane,
Hadleigh, Essex

THE COMPANIES ACT, 1929.

*COMPANY LIMITED BY SHARES.*

REGISTERED
27 JAN 1936

# Articles of Association
— OF —
# CARPET TRADES LIMITED.

## PRELIMINARY.

1. The regulations in Table "A" in the First Schedule to the Companies Act 1929 shall not apply to the Company. Table "A" not to apply.

2. In these presents if not inconsistent with the subject or context, 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. Interpretation.

| Words. | Meanings. |
|---|---|
| The Statutes ... | The Companies Act 1929 and every statutory modification or re-enactment thereof for the time being in force. |
| These presents ... | These Articles of Association as originally framed or as from time to time altered by Special Resolution. |
| Office ... ... | The registered office of the Company. |
| Seal ... ... ... | The Common Seal of the Company. |
| The United Kingdom ... | Great Britain and Northern and Southern Ireland. |

| WORDS. | | MEANINGS. |
|---|---|---|
| Month ... | ... | Calendar month. |
| Year ... | ... | Year from the 1st January to the 31st December inclusive. |
| In writing... | ... | Written, or produced by any substitute for writing, or partly one and partly another. |

And the expression "Secretary" shall inclu. . a temporary or assistant Secretary and any person appointed by the Directors to perform any of the duties of the Secretary.

Further in all such of the provisions of these presents as are applicable to fully-paid shares the expression "share" and "Shareholder" shall include stock and Stockholder.

Save as aforesaid any words or expressions defined in the Statutes shall if not inconsistent with the subject or context bear the same meaning in these presents.

The marginal notes are inserted for convenience only and shall not affect the construction of these presents.

What business may be undertaken.

3. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such time or times as they may think fit and further may be suffered by them to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Directors may deem it expedient not to commence or proceed with the same.

Company's own shares not to be purchased.

4. No part of the funds of the Company shall be employed in the purchase of or in loans upon the security of the Company's shares.

5. The Company was formed on the basis of the Agreement referred to in paragraph 3 (1) of the Company's Memorandum of Association and no objection to the validity of that Agreement shall be raised on the ground that the Vendors stand in a fiduciary relation to the Company or that any of the Directors of the Company accepted office at their request and that the Board is not therefore an independent Board and the vendors shall be entitled to receive any consideration or benefit under the said Agreement and to exercise all rights conferred upon them by the terms thereof and shall not be accountable for the same or any part thereof and no claim in respect thereof shall be made by the Company or any of its

Members or the Liquidator thereof against the vendors on the ground that they stand in any such fiduciary relation as aforesaid or otherwise.

## CAPITAL.

Capital.

6. The original share capital of the Company is £500,000 divided into 1,000,000 Ordinary Shares of 10/- each.

Issue of shares.

7. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares already issued (which special rights shall not be modified or abrogated except with such consent or sanction as is provided by the next following article) any share in any increased capital may be issued with such preferred deferred or other special rights or subject to such restrictions whether in regard to dividend return of capital voting or otherwise as the Company may from time to time in General Meeting determine.

## MODIFICATION OF RIGHTS.

How special rights of Shares may be modified.

8. Whenever the capital of the Company is divided into different classes of shares or groups the special rights attached to any class or group may either with the consent in writing of the holders of three-fourths of the issued shares of the class or group or with the sanction of an Extraordinary Resolution passed at a separate meeting of such holders (but not otherwise) be modified or abrogated and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate meeting all the provisions of these presents relating to General Meetings or to the proceedings thereat shall *mutatis mutandis* apply except that the necessary quorum shall be two persons at least holding or representing by proxy one-quarter in nominal amount of the issued shares of the class or group (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present shall be a quorum) and that the holders of shares of the class or group shall on a poll have one vote in respect of every share of the class or group held by them respectively.

## SHARES.

9. The original share capital and (subject as herein provided) all newly created shares shall be subject to the control of the Directors who may issue and allot the same to such persons on

such terms and conditions as to payment by way of deposit instalment or calls or as to the amount or time of payment of calls and at such times as the Directors may think fit. The Directors may for valuable consideration enter into any agreement giving to any person any call or right of pre-emption in respect of or any option to take shares and may (subject to the provisions of any Act of Parliament for the time being in force) issue any shares as fully or partially paid up as the consideration or part of the consideration for any property acquired by or work or services done or rendered or to be done or rendered for or at the request of the Company and may issue any shares which may for the time being remain unallotted and also any forfeited or surrendered shares to such persons upon such terms in all respects and in such manner as they think fit.

Power to pay commissions and brokerage

10. In addition to all other powers of paying commissions the Company (or the Directors on behalf of the Company) may exercise the powers conferred by the Statutes of paying commissions to persons subscribing or procuring subscriptions for shares of the Company or agreeing so to do whether absolutely or conditionally. Provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Statutes and shall not exceed the rate of 10 per cent. of the price at which the shares are issued. Any such commission may be satisfied in whole or in part by the allotment of fully paid shares in the Company of equivalent nominal amount. The Company (or the Directors on behalf of the Company) may also on any issue of shares pay such brokerage as may be lawful.

Power to charge interest to capital.

11. If any shares of the Company 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 (or the Directors on behalf of the Company) may subject to the conditions and restrictions mentioned in the Statutes pay interest on so much of such share capital as is for the time being paid up and may charge the same to capital as part of the cost of construction of the works buildings or plant.

Exclusion of equities.

12. No person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or recognise any equitable contingent future or partial interest in any share or any interest in any fractional part of a share or (except only as by these presents otherwise provided or as by Statut

required or under an Order of Court) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

## CERTIFICATES.

Issue of certificates.

13. Every person whose name is entered as a Member in the Register of Members shall be entitled without payment to one certificate for all his shares or upon payment of such sum not exceeding 1s. for every certificate after the first as the Directors shall from time to time determine to several certificates each for one or more of his shares. Every certificate shall be issued under the seal and bear the autographic signatures of one or more Directors and the Secretary and shall specify the shares to which it relates and the amount paid up thereon. Provided that in the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

Renewal of certificates.

14. If a share certificate be defaced lost or destroyed it may be renewed on payment of such fee (if any) not exceeding 1s. and on such terms (if any) as to evidence and indemnity as the Directors think fit. Section 67 of the Companies Act 1929 shall be observed.

## LIEN.

Company's lien.

15. The Company shall have a lien on every share for all moneys whether presently payable or not called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest in any person other than such Member and whether the period for the payment or discharge of the same shall have actually arrived or not and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person whether a Member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends payable thereon.

Sale of shares subject to lien.

16. The Company may sell in such manner as the Directors think fit any shares on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists

is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled by reason of his death or bankruptcy to the share.

Application of proceeds of such sale.

17. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares and he 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.

## CALLS ON SHARES.

Calls.

18. The Directors may from time to time make calls upon the Members in respect of any moneys (whether on account of the amount of the shares or by way of premium) unpaid on their shares provided that no call on any share shall except as part of the terms of issue exceed one-fourth of the nominal amount of the share or be payable at less than two months from the last call and each Member shall (subject to receiving at least one month's notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares.

Time when made.

19. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and a call may be made payable by instalments The date fixed for payment may be postponed or a call may be wholly or in part revoked.

Liability of joint holders.

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

Interest on calls.

21. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for

payment thereof to the time of actual payment at such rate not exceeding 10 per cent. per annum as the Directors determine but the Directors shall be at liberty to waive payment of such interest wholly or in part.

Sums due on allotment to be treated as calls

22. Any sum which by the terms of issue of a share becomes 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 the purposes of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified but nothing herein contained shall affect the liability of any allottee who may have agreed to pay the same.

Power to differentiate.

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

Payment of calls in advance.

24. The Directors may if they think fit receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding (unless the Company in General Meeting shall otherwise direct) 10 per cent. per annum as may be agreed upon between the Directors and the Member paying such sum in advance.

## TRANSFER OF SHARES.

Form of transfer.

25. All transfer of shares shall be effected by transfer in writing in the usual common form.

Execution.

26. The instrument of transfer of a share shall be executed both by the transferor and 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.

Directors' power to decline to register.

27. The Directors may in their absolute discretion and without assigning any reason or specifying the grounds therefor decline to register any transfer of shares (not being fully paid shares) to a person of whom they shall not approve and they may also decline to register any transfer of shares on which the Company has a lien.

Deposit of transfer

28. The Directors may also decline to recognise any instrument of transfer unless the instrument of transfer is deposited at the office or such other place as the Directors may appoint accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer.

29. Where the Directors have refused to register any transfer of shares they shall comply with the provisions of the Statutes as to giving notice of such refusal to the transferee.

Transfer fees.

30. There shall be paid to the Company in respect of any transfer or transmission such fee not exceeding 2s. 6d. as the Directors shall deem fit.

Closing register.

31. The register of transfers may be closed at such times 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.

Fee for registration of probate.

32. There shall be paid to the Company in respect of the registration of any Probate Letters of Administration certificate of marriage or death power of attorney or other document relating to or affecting the title to any shares or for making any entry in the register affecting the title to any share such fee not exceeding 2s. 6d. as the Directors may from time to time require or prescribe.

## TRANSMISSION OF SHARES.

Transmission on death.

33. In case of the death of a Shareholder the survivors or survivor where the deceased was a joint holder and the executors or administrators of the deceased where he was a sole holder shall be the only persons 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.

Registration of executors and trustees in bankruptcy.

34. Subject to any other provisions of these presents any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may upon such evidence as to his title being produced as may from time to time be required by the Directors and subject as hereinafter provided either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.

35. Subject to any other provisions of these presents if the person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered he shall testify his election by executing to his nominee a transfer of such share. All the limitations restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

Notice of election to be registered.

Registration of nominee.

36. Subject to any other provisions of these presents a person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall be entitled to receive and may give a discharge for all dividends and other moneys payable in respect of the share and may if the Company so decides but shall not be entitled to receive notices of or attend or vote at meetings of the Company or save as aforesaid any of the rights or privileges of a Member until he shall have become a Member in respect of the share.

Rights of unregistered executors and trustees

## FORFEITURE OF SHARES.

37. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof the Directors may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest and expenses which may have accrued.

Notice requiring payment of calls.

38. The notice shall name a further day (not being less than seven days from the date of the notice) on or before which and the place where the payment required by the notice 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 on which the call was made will be liable to be forfeited.

Notice to state time and place for payment.

39. If the requirements 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 payment of all calls and interest and expenses due in respect thereof has been made be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture.

Forfeiture on non compliance with notice.

Sale of forfeited shares.

40. A forfeited share shall become the property of the Company and 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 at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.

Rights and liabilities of Members whose shares have been forfeited.

41. A Shareholder whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall notwithstanding the forfeiture remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at seven per cent. per annum from the date of forfeiture until payment.

Title to forfeited shares.

42. A certificate in writing under the seal that a share has been duly forfeited on a date stated in the certificate shall be sufficient evidence of the facts therein stated as against all persons claiming to be entitled to the share and such certificate and the receipt of the Company for the consideration (if any) given for the share on the re-allotment thereof shall constitute a good title to the share and the person to whom the share is re-allotted shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture or re-allotment of the share.

## INCREASE OF CAPITAL.

Power to increase capital.

43. The Company in General Meeting may from time to time by Extraordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

Allotment of new shares.

44. The Company may by the resolution increasing the capital direct that the new shares or any of them shall be offered in the first instance either at par or at a premium to all the Ordinary Shareholders for the time being in proportion to the number of Ordinary Shares held by them respectively or make any other provisions as to the issue of the new shares. In default of any such direction or so far as the same shall not extend the new shares shall be at the disposal of the Directors who may allot grant options over or otherwise dispose of them to such persons and on such terms as they shall think fit.

45. The new shares shall be subject to the same provisions with reference to payment of calls lien transfer transmission forfeiture and otherwise as the shares in the original capital and unless otherwise provided in accordance with these presents the new shares shall be Ordinary Shares. Rights and liabilities attached to new shares

## ALTERATIONS OF CAPITAL.

46. The Company in General Meeting may by Ordinary Resolution:—

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares. Power to consolidate shares.

(b) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its capital by the amount of the shares so cancelled. Power to cancel shares.

(c) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (subject nevertheless to the provisions of the Statutes) and so that the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares. Power to sub-divide shares.

47. The Company may by Special Resolution reduce its capital or any capital redemption reserve fund in any manner authorised by the Statutes. Power to reduce capital.

## GENERAL MEETINGS.

48. A General Meeting shall be held in the year after the incorporation of the Company and in every subsequent year at such time (within a period of not more than fifteen months after the holding of the last preceding General Meeting) and at such place in England as may be determined by the Directors. The General Meetings referred to in this Article shall be called Ordinary Meetings. All General Meetings other than Ordinary Meetings and the Statutory Meeting shall be called Extraordinary. General Meetings.

Extraordinary Meetings.

49. The Directors may call an Extraordinary Meeting whenever they think fit and shall on requisition in accordance with the Statutes of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital as at the date of the deposit carries the right of voting at General Meetings forthwith proceed to convene an Extraordinary Meeting and the provisions of Section 114 of the Companies Act 1929 shall apply and be observed.

## NOTICE OF GENERAL MEETINGS.

Notice of General Meetings required.

50. Subject to the provisions of Section 117 (2) of the Companies Act 1929 relating to Special Resolutions seven days' notice at the least (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day for which the notice is given) shall be given of every General Meeting in manner hereinafter mentioned to such Members as are under the provisions herein contained entitled to receive notices from the Company. With the consent in writing of all the Members entitled to receive notices from the Company a meeting may be convened by a shorter notice and in such manner as such Members may think fit and any Member may waive notice of any meeting.

51. Every notice of meeting shall specify the place the day and the hour of meeting and in case of special business the general nature of such business. The Directors' report shall be deemed sufficient notice for the consideration of the matters therein referred to or arising and the decision of the Chairman of the meeting whether any matter falls within this provision shall be conclusive. The notice of a meeting for passing an Extraordinary or Special Resolution shall specify the intention to pass such resolution as an Extraordinary or Special Resolution as the case may be.

Omission and non-receipt of notice.

52. The accidental omission to give notice to or the non-receipt of notice by any Member shall not invalidate the proceedings at any General Meeting.

## PROCEEDINGS AT GENERAL MEETINGS.

Special business.

Business of Ordinary Meeting.

53. All business shall be deemed special that is transacted at an Extraordinary Meeting and also all business that is transacted at an Ordinary Meeting with the exception of sanctioning dividends the consideration of the accounts and balance sheet and documents to be annexed thereto including the ordinary reports of the Directors

and Auditors the election of Directors in the place of those retiring by rotation or otherwise the election and fixing of the remuneration of the Auditors and the voting of remuneration or extra remuneration to the Directors.

Quorum.

54. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Subject to the provisions of Article 8 in relation to modification of rights two Members present either in person or as a corporation's representative under Article 71 and entitled to vote at the meeting shall be a quorum for all purposes.

Adjournment if quorum not present.

55. If within half-an-hour from the time appointed for the 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 subject to the provisions of Article 8 if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting the meeting shall be dissolved.

Chairman.

56. The Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting of the Company. If there be no such Chairman or if at any meeting he be not present within five minutes after the time appointed for holding the meeting or be unwilling to act as Chairman the deputy Chairman (if any) shall preside. If there be no such deputy Chairman or if at such meeting he be not present within five minutes after the time appointed for holding the meeting or 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.

Election of Chairman.

Adjournments.

57. The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Notice of adjournments.

58. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before

or on the declaration of the result of the show of hands) demanded by the Chairman or by any three Members present in person or by proxy and entitled to vote at the meeting. Unless a poll is so demanded a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

Demand of poll.

Votes counted in error.

59 If any votes shall be counted which ought not to have been counted or might have been rejected the error shall not vitiate the resolution unless it be pointed out at the same meeting or at any adjournment thereof and not in that case unless it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the resolution.

How poll to be taken.

60. If a poll is duly demanded it shall be taken in such manner as the Chairman may direct and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Chairman to have casting vote.

61. In the case of an equality of votes whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

Time for taking a poll.

62. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question may be taken forthwith or at such time and place as the Chairman directs not being more than two weeks from the date of the meeting.

Continuance of business after demand for poll.

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

## VOTES OF MEMBERS.

Voting rights of Members.

64. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these presents (or any modification thereof) on a show of hands every Member who (being an individual) is present in person or (being a corporation) or a person of unsound mind is present by a representative or proxy not being himself a Member shall have one vote and on a poll every Member who is present in person or by proxy shall have one vote for every share of which he is the holder.

65. In the case of joint holders of a share 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 joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members. Voting rights of joint holders.

66. A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote whether on a show of hands or on a poll by his committee *curator bonis* or other person in the nature of a committee or *curator bonis* appointed by such Court and such committee *curator bonis* or other person may on a poll vote by proxy provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office of the Company not less than three days before the time for holding the meeting. Voting rights of lunatic Members

67. No Member shall be entitled to vote at any General Meeting either personally or by proxy or as proxy for another Member or to exercise any privilege as a Member unless all calls or other sums presently payable by him in respect of shares in the Company have been paid. No right to vote where a call is unpaid.

68. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive. Objections.

69. On a poll votes may be given either personally or by proxy. Votes on a poll.

70. 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 the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised. Execution of proxies.

71. Any corporation holding shares conferring the right to vote may by resolution of its directors or governing body authorise any of its officials or any other person to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual Member of the Company. Representative of Companies holding shares.

Deposit of proxies.

72. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at the office not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. The person appointed to act as a proxy need not be a Member of the Company.

Form of proxies.

73. An instrument of proxy may be in the following form or in any other form which the Directors shall approve and the proxy shall be deemed to include the right to demand or join in demanding a poll and generally to act at the meeting for the Member giving the proxy:—

"CARPET TRADES LIMITED.

"I the undersigned being a Member of the above-named
"Company hereby appoint
"of whom failing
", , of
" as my proxy to vote and act for me
"and on my behalf at the Ordinary [*or* Extraordinary
"*or* Adjourned *as the case may be*] General Meeting of
"the Company to be held on the day of
"19 and at any adjournment thereof.

"Dated this day of 19 ."

Proxies need not be witnessed.

Intervening death or insanity of principal not to revoke proxy.

74. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given provided that no intimation in writing of such death insanity revocation or transfer shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## DIRECTORS.

Number of Directors.

75. Unless and until otherwise determined by the Company in General Meeting the Directors shall not be less than three nor more than eight in number.

76. The first Directors shall be Sir William Guy Granet, G.B.E., Sir Thomas Sydney Lea, Baronet, Frederick Swire, Arthur James Pyrah, Charles Lyall Dalziel and Edwin Read. Directors.

77. Each of the Directors (other than a Managing Director or other Director who by the terms of his office or appointment is not entitled to ordinary Directors' fees) shall be entitled to receive remuneration at the rate of £500 per annum. All remuneration shall be deemed to accrue *de die in diem*. The Company in General Meeting may also vote extra remuneration to the Board or to any Member of the Board and either for one year or any longer or shorter period. The Directors may repay to any Director all such reasonable travelling (including hotel and incidental) expenses as he may incur in attending meetings of the Board or of Committees of the Board or General Meetings or which he may otherwise incur in or about the business of the Company. Remuneration of Directors and Chairman. Extra remuneration. Travelling expenses.

78. Any Director who serves on any committee or who devotes special attention to the business of the Company or who otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary percentage of profits or otherwise as the Board may determine which shall be charged as part of the Company's ordinary working expenses. Extra remuneration.

79. The qualification of a Director shall be the holding of shares in the Company of any class of the nominal value of £100.

80. The office of a Director shall be vacated in any of the following events namely:— Vacation of office of Director.

(a) If (not being a Managing Director holding office as such for a fixed term) he resign his office by writing under his hand left at the office.

(b) If he have a receiving order made against him or compound with his creditors.

(c) If he be found lunatic or become of unsound mind.

(d) If he be absent from meetings of the Directors for six months without leave and the Directors resolve that his office be vacated.

(e) If he be removed by Extraordinary Resolution of the Company.

(f) If (not being already qualified) he do not obtain his qualification within two months after his appointment or at any time thereafter cease to hold his qualification

and so that a Director vacating office under this provision shall be incapable of being re-appointed a Director until he shall have obtained his qualification.

Power of Directors to hold offic of profit and to contract with Company

31. A Director may hold any other office or place of profit under the Company (other than the office of Auditor) and may act and receive remuneration in a professional capacity for the Company in conjunction with his office of Director and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established but the nature of his interest shall be disclosed by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration if his interest then exists or in any other case at the first meeting of the Directors after the acquisition of his interest as provided by Section 149 of the Companies Act 1929 but no Director may except as hereinafter provided vote in respect of any contract or arrangement in which he is so interested as aforesaid. The provisions of this Article may at any time or times be suspended or relaxed to any extent and any claim arising out of any breach may be released. Provided that this prohibition against voting shall not apply to any contract by or on behalf of the Company to give to the Directors or any of them any security by way of indemnity or in respect of advances made by them or any of them to the Company or to the Contract mentioned in Article 5 or to any contract or dealing with a corporation of which the Directors of this Company or any of them may be directors or members or to any resolution to allot obligations of or shares in the Company to any Director of the Company or to any agreement to pay him any commission for so doing nor shall it apply to any contract to subscribe for or to underwrite or guarantee the subscription of any shares or debentures of the Company. A general notice given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may thereafter be made with that company or firm shall be deemed a sufficient declaration of interest in relation to any contract so made.

## POWERS OF DIRECTORS.

General power of Directors to manage Company's business.

82. The business of the Company shall be managed by the Directors who may pay all expenses incurred in getting up and registering the Company and may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in General Meeting subject nevertheless to any regulations of these presents to the provisions of the Statutes and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by Extraordinary Resolution of 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. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

83. The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on as or through one or more subsidiary companies and they may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing assisting or subsidizing any such subsidiary company or guaranteeing its contracts obligations or liabilities and they may appoint remove and re-appoint any persons (whether members of their own body or not) to act as Directors Managing Directors or Managers of any such company or any other company in which the Company may be interested and may determine the remuneration (whether by way of salary commission on profits or otherwise) of any persons so appointed and any Directors of this Company may retain any remuneration so payable to them.

Power to establish local boards etc.

84. The Directors may establish any local boards or agencies for managing any of the affairs of the Company either in the United Kingdom or elsewhere and may appoint any persons to be members of such local boards or any managers or agents and may fix their remuneration and may delegate to any local board manager or agent any of the powers authorities and discretions vested in the Directors with power to sub-delegate and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit and

the Directors may remove any person so appointed and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Power to appoint attorneys.

85. The Directors may from time to time and at any time by power of attorney under the seal appoint any company firm or person or any fluctuating body of persons whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Company for such purposes and with such powers authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers authorities and discretions vested in him.

Power to have a seal for use abroad.

Power to keep a Colonial register.

86. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors. The Company or the Directors on behalf of the Company may cause to be kept in any part of His Majesty's Dominions in which the Company transacts business a branch register or registers of Members resident in such part and the Directors may (subject to the provisions of the Statutes) make and vary such regulations as they may think fit respecting the keeping of any such register.

Power to borrow and give security.

87. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking property and uncalled capital and to issue debentures whether outright or as collateral security for any debt liability or obligation of the Company or of any third party. Provided that the amount for the time being remaining undischarged of moneys borrowed by the Directors for the purposes of the Company shall not at any time without the previous sanction of the Company in General Meeting exceed by more than £100,000 the nominal amount of the authorized share capital of the Company but no debt incurred or security given in excess of the limits hereby imposed shall be invalid or ineffectual except in the case of express notice at the time when the debt was incurred or security given that the limit hereby imposed had been exceeded.

Signature of cheques and bills.

88. All cheques promissory notes drafts bills of exchange and other negotiable or transferable instruments and all receipts

for moneys paid to the Company shall be signed drawn accepted endorsed or otherwise executed as the case may be in such manner as the Directors shall from time to time by resolution determine.

## CHAIRMAN.

89. The Directors may from time to time elect from among their number a Chairman and determine the period for which he is to hold office and remove and replace any Chairman so elected and may fix the remuneration (if any) to be paid to such Chairman in addition to his remuneration as a Director.

## MANAGING DIRECTORS.

Appointment of Managing Director.

90. The Directors may from time to time appoint one or more of their body to the office of Managing Director or Deputy Managing Director for such period and on such terms as they think fit. The appointment of a Managing Director or Deputy Managing Director shall be subject to determination *ipso facto* if he cease from any cause to be a Director or (subject to the terms of any contract between him and the Company) if the Directors resolve that his term of office as Managing Director or Deputy Managing Director be determined.

Remuneration of Managing Director.

91. A Managing Director or Deputy Managing Director shall receive such remuneration (whether by way of salary commission or participation in profits or partly in one way and partly in another) as the Directors may determine.

Powers of Managing Director.

92. The Directors may entrust to and confer upon a Managing Director or Deputy Managing Director any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke withdraw alter or vary all or any of such powers.

## ROTATION OF DIRECTORS.

Retirement of Directors.

93. At the Ordinary Meeting in the year following the incorporation of the Company and at the Ordinary Meeting in every subsequent year one-third of the Directors for the time being (not being Managing Directors appointed for a fixed term) or if their number is not a multiple of three then the number nearest to but not exceeding one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting. The Directors to retire in every year shall be those who have been longest in office since their last election but as between

persons who became Directors on the same day those to retire shall unless they otherwise agree among themselves be determined by lot.

Filling vacated office.

94. The Company at the meeting at which a Director retires in manner aforesaid shall fill up the vacated office by electing a person thereto and in default the retiring Director shall be deemed to have been re-elected unless at such meeting it is expressly resolved not to fill up such vacated office.

Notice of intention to appoint Director.

95. No person other than a Director retiring at the meeting shall unless recommended by the Directors for election be eligible for the office of a Director at any General Meeting unless not less than three nor more than twenty-one clear days 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.

Increase and reduction of number of Directors.

96. The Company in General Meeting may from time to time increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office and may make any appointments required for making any such increase.

Power to fill casual vacancies and to appoint additional Directors.

97. The Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents. Any Director so appointed shall hold office only until the next following Ordinary Meeting and shall then be eligible for re-election.

Removal of Directors.

98. The Company may by Extraordinary Resolution remove any Director before the expiration of his period of office and may by an Ordinary Resolution appoint another person in his stead. 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 a Director.

## PROCEEDINGS OF DIRECTORS.

Board meetings.

99. The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit. The Chairman (if any) shall preside at all meetings of the Board but if there shall be no Chairman or if at any meeting the Chairman be not present within five minutes after the time

appointed for holding the same the Directors present may choose one of their number to be Chairman of the meeting. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may and the Secretary on the requisition of a Director shall at any time summon a meeting of the Directors. In the event of any such requisition three days' notice at least (inclusive of the day on which the notice is served or deemed to have been served and of the day for which the notice is given) specifying the place day and hour of meeting and the general nature of the business to be transacted shall be given to each Director for the time being.

Votes.

Notice.

100. A Director unable to attend any meeting of the Board may authorise any other Director to vote for him at that meeting and in that event the Director so authorised shall have a vote for each Director by whom he is so authorised in addition to his own vote. Any such authority must be in writing or by cable radiogram or telegram which must be produced at the Board Meeting at which the same is to be used and be left with the Secretary for filing.

101. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two.

Quorum.

102. A resolution in writing signed by all the Directors shall be as effective as a resolution passed at a meeting of the Directors duly convened and held.

Resolution in writing.

103. A meeting of the Directors for the time being duly convened and at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

Powers of meeting at which a quorum is present.

104. The Directors may delegate any of their powers to Committees consisting of such number of 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 them by the Directors.

Power to appoint Committees.

105. The meetings and proceedings of any such Committee consisting of two or more Members shall be governed by the provisions of these presents regulating the meetings and proceedings of the Directors so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

Proceedings at committee meetings.

106. All acts done by any meeting of Directors or of a Committee of Directors or by any person acting as a Director shall

Validity of acts of Directors in spite of some formal defect.

as regards all persons dealing in good faith with the Company notwithstanding that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them had vacated office or were not entitled to vote be as valid as if every such person had been duly appointed and had continued to be a Director and had been entitled to vote.

## ALTERNATE DIRECTORS.

107. Any Director may at any time appoint any person approved by the Board to be an alternate Director of the Company and may at any time remove any alternate Director so appointed by him from office. An alternate Director so appointed shall not be entitled to receive any remuneration from the Company but shall otherwise be subject to the provisions of these presents with regard to Directors. An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of all meetings of the Board and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present. An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director. All appointments and removals of alternate Directors shall be effected by writing under the hand of the Director making or revoking such appointment left at the office.

## MINUTES.

108. The Directors shall cause minute to be made in books provided for the purpose:—

(a) Of all appointments of officers made by the Directors.

(b) Of the names of the Directors present at each meeting of Directors and of any Committee of Directors.

(c) Of all resolutions and proceedings at all meetings of the Company and of the Directors and of Committees of Directors.

## THE SEAL.

109. The seal of the Company shall not be affixed to any document except by the authority of a resolution of the Board and shall be so affixed in the presence of two of the Directors or by one Director and countersigned by the Secretary or such other person as the Directors may appoint for the purpose.

## DIVIDENDS AND RESERVES.

Payment of dividends.

110. The balance of the profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

Dividends only out of profits.

111. No dividend shall be payable except out of the profits of the Company or in excess of the amount recommended by the Directors.

Profit earned before acquisition of a business.

112. Where any asset business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) at a price fixed wholly by reference to the value of such asset business or property at the past date and without any addition or deduction in respect of subsequent transactions upon the terms that the Company shall as from that date take the profits and bear the losses thereof the actual profit or loss as the case may be so accruing to the Company may at the discretion of the Directors be credited or debited wholly or in part to revenue account and the amount so credited or debited shall for the purpose of ascertaining the fund available for dividend be treated as profit or loss arising from the business of the Company.

Apportionment of dividends.

113. All dividends shall be declared and paid according to the amounts paid up or credited as paid up on the shares in respect whereof the dividend is paid but (for the purposes of this Article only) no amount paid on a share in advance of calls shall while carrying interest be treated as paid on the share. All dividends shall be apportioned and paid *pro rata* according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid except that if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Payment of interim dividends.

114. The Directors may if they think fit from time to time pay to the Members in respect of those shares in the capital of the Company which confer on the holders thereof deferred rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend such interim dividends as appear to the Directors to be justified by the profits of the Company and provided that the Directors act *bona fide* they shall not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment

Payment of fixed dividends

of an interim dividend on any shares having deferred rights. The Directors may also pay any dividend payable at a fixed rate if they are of opinion that the profits justify the payment.

Deduction of debts due to Company.

115. The Directors may deduct from any dividend or bonus payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

Dividends not to bear interest.

116. No unpaid dividend bonus or interest shall bear interest as against the Company.

Retention of dividends.

117. The Directors may retain any dividends or bonuses payable on shares on which the Company has a lien and may apply the same in or towards satisfaction of the debts liabilities or engagements in respect of which the lien exists.

Retention of dividends.

118. The Directors may retain the dividends and bonuses payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.

Dividends payable by cheque.

119. Any dividend may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto and in case of joint holders to any one of such joint holders or may be paid in such manner to such person and sent to such address as the holder or joint holders may direct. Every such cheque shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders may direct and payment of the cheque if purporting to be endorsed shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

120. Any dividend or bonus may be paid or satisfied either wholly or partially in debentures or bonds of the Company or in shares of the Company credited as fully or partially paid up or by the distribution in specie of any property or assets of the Company and may be declared so as to be payable only at some future date or on the happening of some event either fixed or contingent in any respect and if at a future date either with or without interest being payable thereon in the meantime.

Dividends due to joint holders.

121. If several persons are registered as joint holders of any share any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

## RESERVES.

Power to carry profit to reserve.

Application of reserve.

Division of reserve into special funds.

Power to carry over profits.

122. The Directors may before recommending any dividends whether preferential or otherwise carry to reserve out of the profits of the Company such sums as they think proper. All sums standing to reserve may be applied from time to time in the discretion of the Directors for meeting depreciation or contingencies or for special dividends or bonuses or for equalising dividends or for repairing improving or maintaining any of the property of the Company or for such other purposes as the Directors may think conducive to the objects of the Company or any of them and pending such application may at the like discretion either be employed in the business of the Company or be invested in such investments as the Directors think fit. Sums carried to reserve representing undistributed profits may be carried to the credit of profit and loss and dealt with accordingly. The Directors may divide the reserve into such special funds as they think fit and may transfer sums standing to the credit of one fund to the credit of another fund and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit. The Directors may also without placing the same to reserve carry over any profits which they may think it not prudent to divide.

## CAPITALISATION OF PROFITS AND RESERVES.

Power to capitalise profits.

123. The Company in General Meeting may upon the recommendation of the Directors resolve that any undivided profits of the Company not required for paying the accrued fixed dividends on any Preference Shares (including profits carried and standing to the credit of any reserve or reserves or other special account) be capitalised and accordingly that the Directors be authorised and directed to appropriate the profits resolved to be capitalised to the Members who would have been entitled to receive the same had such sums been distributed in cash in accordance with their rights and to apply such profits on their behalf either in or towards paying up the amounts if any for the time being unpaid on any shares held by such Members respectively or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such profits such shares or debentures to be allotted and distributed credited as fully paid up to and amongst such Members or their nominees in the proportion aforesaid or partly in one way and partly in the other.

124. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures if any and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provision by the issue and sale of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions and also to authorise any person to enter on behalf of all the Members or other persons interested into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such Members or other persons.

## ACCOUNTS.

Directors to keep proper accounts

125. The Directors shall cause to be kept proper books of account with respect to:—

(a) All sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure takes place;

(b) All sales and purchases of goods by the Company; and

(c) The assets and liabilities of the Company.

Inspection of books.

126. The books of account shall be kept at the office or at such other place as the Directors think fit and shall always be open to the inspection of the Directors. No Member (other than 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 the Company in General Meeting.

Submission of balance sheet and profit and loss account.

127. Not more than 18 months after the incorporation of the Company and once at least in every subsequent calendar year the Directors shall lay before the Company in General Meeting:—

(a) A profit and loss account for the period since the preceding account made up to a date not earlier than the date of the meeting by more than nine months: and

(b) A balance sheet as at the date to which the profit and loss account is made up.

Signature of balance sheet. Report of Directors.

128. Every such balance sheet as aforesaid shall be in such form shall contain all such particulars and shall have annexed to it all such statements or reports as are required by the Statutes. It shall be signed on behalf of the Board by two of the Directors and shall have attached to it a report by the Directors as to the state of the Company's affairs the amount (if any) which they recommend to be paid by way of dividend and the amount (if any) which they propose to carry to any reserve or reserve account shown specifically on the balance sheet or to be shown specifically on a subsequent balance sheet. It shall also have attached to it the Auditors' report which shall be read at the meeting before which it is laid and shall be open to inspection as required by the Statutes.

Copies of balance sheet and profit and loss account to be circulated and open to inspection seven days before the meeting.

129. A copy of the profit and loss account and balance sheet including every document required by law to be annexed thereto together with a copy of the Auditors' report and Directors' report shall seven days previously to the meeting be delivered or sent by post to the registered address of every Member and three copies of each of these documents shall at the same time be forwarded to the Secretary of the share and Loan Department Stock Exchange London.

## AUDIT.

Appointment of Auditors.

130. The Company shall at each Ordinary Meeting appoint an Auditor or Auditors to hold office until the next ensuing Ordinary Meeting and the provisions of Sections 132, 133 and 134 of the Companies Act 1929 shall be complied with.

Directors not to be Auditors.

131. Neither a Director or officer of the Company nor a partner or person in the employment of an officer of the Company nor a body corporate shall be capable of being appointed Auditor of the Company.

Casual vacancies.

132. The Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors (if any) may act.

Remuneration of Auditors.

133. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

Replacement of Auditors.

134. A person other than a retiring Auditor shall not be capable of being appointed an Auditor at an Ordinary Meeting unless notice of an intention to nominate that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the meeting and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Members not less than seven days before the meeting provided that if after a notice of the intention to nominate an Auditor has been so given an Ordinary Meeting is called for a date fourteen days or less after that notice has been given the notice though not given within the time required by this provision shall be deemed to have been properly given for the purposes thereof and the notice to be sent or given by the Company may instead of being sent or given within the time required by this provision be sent or given at the same time as the notice of the meeting.

## NOTICES.

Service of notices.

135. Any notice or document may be served by the Company on 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. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register of Members and notice so given shall be sufficient notice to all the joint holders.

Proof of postage to be sufficient proof of service.

136. Any notice or other document if served by post shall be deemed to have been served at the time when the letter containing the same is posted and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed stamped and posted.

Service to be sufficient notwithstanding death or bankruptcy of Member served.

137. Any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall notwithstanding that such Member be then dead or bankrupt and whether or not the Company have notice of his death or bankruptcy be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder unless his name shall at the time of the service of the notice or document have been removed from the register as the holder of the share and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

## WINDING UP.

Rules for division of assets in liquidation.

138. If the Company shall be wound up (whether the liquidation is altogether voluntary under supervision or by the Court) the Liquidator may with the authority of an Extraordinary Resolution divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members and the Liquidator may with the like authority vest any part of the assets in trustees upon such trusts for the benefit of Members as the Liquidator with the like authority shall think fit and the liquidation of the Company may be closed and the Company dissolved but so that no contributory shall be compelled to accept any shares in respect of which there is a liability.

## INDEMNITY

Indemnity of Directors and officers.

139. The Directors Managing Directors Auditors Secretary and other officers for the time being of the Company and the trustees (if any) for the time being acting in relation to any of the affairs of the Company and their respective executors or administrators shall be indemnified and secured harmless out of the assets of the Company from and against any liability incurred by them to the extent permitted by the Statutes.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

William Lavers Wilson
Beltmans, Kenwithill Avenue
Chelmsford, Essex Statistician

Sidney George Turney
18. Brunswick Place.
Hove. Sussex.
accountant

Alfred Ernest McNeall
Cranleigh Brancaster Lane
Purley, Surrey.
Clerk.

Peter Williamson
19 Westmount Road,
Esher, Surrey.
Clerk

Andrew Harrower Pearson
44 Westhall Road
Kew Gardens
Richmond, Surrey. Clerk.

Herbert Sydney Cumming
11 Hill View Gardens
Hendon N.W.4 Bank Official

Valentine Thomas Barker
99 Dalmouth Avenue
Highams Park
London E.4 Bank Cashier

DATED the 21st day of January, 1936.

WITNESS to the above signatures:—

P. M. Harvey
Fairlight,
Castle Lane,
Hadleigh, Essex.

Clerk.

THE COMPANIES ACT, 1929.

*COMPANY LIMITED BY SHARES*

# CARPET TRADES LIMITED

# Memorandum

— AND —

# Articles of Association

Incorporated the day of ,

PINSENT & Co.,

*Solicitors.*

DUPLICATE FOR THE FILE.

No. [illegible]

# Certificate of Incorporation

## I Hereby Certify,

That

CARPET TRADES LIMITED

is this day Incorporated under the Companies Act, 1929, and that the Company is **Limited.**

Given under my hand at London this twenty-seventh day of January One Thousand Nine Hundred and thirty-six.

*Registrar of Companies.*

Certificate received by [illegible]

Date 27/1/36

DUPLICATE FOR THE FILE.

No. 309779

# Certificate under Section 94 (3) of the Companies Act, 1929, that a Company is entitled to commence business.

## I Hereby Certify, That

CARPET TRADES LIMITED

having complied with the conditions of Section 94 (2) of the Companies Act, 1929, is entitled to commence business.

Given under my hand at London this thirtieth day of January One Thousand Nine Hundred and thirty-six.

*Registrar of Companies.*

Certificate received by [illegible] for Linklaters & Paines
9 Moorgate
[illegible]

Date 3rd Feby 1936

EVALBROOK, E.C. 4

No. of company 309779/16.

THE COMPANIES ACT 1929.

# SPECIAL RESOLUTIONS

— OF —

# CARPET TRADES LIMITED.

COMPANIES REGISTRATION FIVE SHILLINGS

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held at 80, LOMBARD STREET, LONDON, E.C., on the 3RD day of FEBRUARY, 1936, the following RESOLUTIONS were duly passed as SPECIAL RESOLUTIONS, namely:—

## RESOLUTIONS.

1. That the share capital of the Company be increased to £1,000,000 divided into 500,000 Preference Shares of £1 each and 1,000,000 Ordinary Shares of 10s. 0d. each by the creation of 500,000 new shares of £1 each to be designated "Preference Shares" and to which shall be attached the special rights and privileges expressed to be attached thereto by the Company's Articles as altered by the next following Resolution.

2. That the Articles of Association of the Company be altered as follows:—

ARTICLE 6. This Article shall be deleted and the following new Article substituted therefor:—

"6. The share capital of the Company is now £1,000,000 divided into "500,000 Preference Shares of £1 each and 1,000,000 Ordinary Shares of "10s. 0d. each. The Preference Shares shall carry a fixed cumulative "preferential dividend at the rate of 5% per annum and in a winding up shall "entitle the holders to repayment of the capital paid up thereon (together with a "sum equal to any arrears or deficiency of the dividend payable thereon "calculated down to the date of the return of capital and to be payable "irrespective of whether such dividend shall have been earned or declared or "not) in priority to any payment to the holders of the Ordinary Shares but "the Preference Shares shall not entitle the holders to any further or other "participation in the profits or assets of the Company."

ARTICLE 8. The following sentence shall be added at the end of this Article, namely:—

"For the purpose of this and the last preceding Article the special rights "attached to the Preference Shares in the present capital shall be deemed to "be modified by the issue of further Preference Shares ranking *pari passu* "therewith if the issue of such further Preference Shares will cause the total "amount of the issued Preference Shares to exceed 50% of the total issued "share capital of the Company; but except as aforesaid or as expressly pro- "vided by the terms of issue of any other shares or class of shares issued with "preferred or other special rights, the special rights attached to any shares or "class of shares issued with preferred or other special rights shall not be "deemed to be modified by the creation or issue of further shares ranking "*pari passu* therewith."

ARTICLE 64. This Article shall be deleted and the following new Article substituted therefor:—

"64. On a show of hands every Member who is present in person shall "have one vote. On a poll every person who is present in person or by proxy "shall have one vote for every share (whether Preference or Ordinary) of which "he is the holder. Provided that the Preference Shares shall on a poll entitle "the holders to two votes for every Preference Share held on a resolution for "winding up the Company or on any resolution directly ~~or~~ adversely affecting "the special rights or privileges attached to the Preference Shares proposed "at any General Meeting and also on every resolution proposed at any General "Meeting held whilst the dividend on the Preference Shares is in arrear and so "for this purpose the dividend on the Preference Shares shall be deemed to be "payable half-yearly on the 30th June and the 31st December in every year."

ARTICLE 87. In this Article there shall be inserted after the words "shall not at "any time" the following words namely: "without the previous sanction of an "Extraordinary Resolution passed at a separate meeting of the holders of the "Preference Shares exceed 25% of the nominal amount of the issued share "capital of the company, nor".

ARTICLE 110. In this Article the words "balance of the" shall be deleted.

DATED the third day of February, 1936.

.....
Secretary.

I HEREEY CERTIFY that all the Members of the above Company who were entitled to attend and vote at the above Meeting agreed in writing to the convening of such Meeting at short Notice in pursuance of the provisions of Section 117. of the Companies Act 1929.

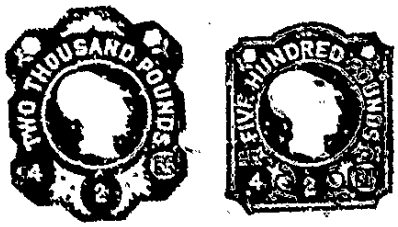
DATED this third day of February 1936.

For and on behalf of CARPET TRADES LIMITED.

.....
Secretary.

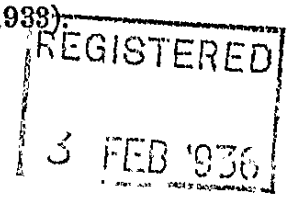
[C.A. 39]
22-10-34.

No. of Certificate 309,779




CARPET TRADES LIMITED.

Statement of Increase of Nominal Capital pursuant to s. 112 of the Stamp Act, 1891. (NOTE.—The Stamp Duty on an increase of Nominal Capital is Ten shillings for every £100 or fraction of £100—Section 41, Finance Act, 1933).




This statement is to be filed within 15 days after the passing of the Resolution by which the Registered Capital is increased, and if not so filed Interest on the Duty at the rate of 5 per cent. per annum from the passing of the Resolution is also payable (s. 5, Revenue Act, 1903.)

NOTE.—Attention is drawn to Section 52 of the Companies Act, 1929, relative to the filing of a Notice of Increase and a printed copy of the Resolution authorising the Increase.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
LONDON WALL, BIRCHIN LANE, AND 49 PARLIAMENT STREET, LONDON;
AND TEMPLE ROW, BIRMINGHAM.

Presented by LINKLATERS & PAINES,
2, BOND COURT,
WALBROOK, E.C. 4

The NOMINAL CAPITAL of

CARPET TRADES Limited,

has by a Resolution of the Company dated the 3rd day of February 1936

been increased by the addition thereto of the sum of £500,000, divided into

Cumulati-ve Preference
500,000 / shares of £1 each beyond the Registered Capital of

Five hundred thousand pounds.

Signature

Description Secretary

Date 3rd February 1936.

This Statement should be signed by an Officer of the Company.

NOTE—This margin is reserved for Binding, and must not be written across.

[C.A. 38.]
15-8-32.

No. of Company 309,779

18

# THE COMPANIES ACT, 1929.

## Notice of Increase in Nominal Capital.

*Pursuant to Section 52.*

Name of Company: CARPET TRADES Limited.

REGISTERED
5 FEB 1936

This Notice must be sent to the Registrar within 15 days from the date of the passing of the Resolution by which the Increase has been authorised, under a penalty for default.

A Statement of the increase of the Nominal Capital must be filed pursuant to S. 112, Stamp Act, 1891, as amended by S. 39 of the Finance Act, 1920. If not so filed within 15 days of the passing of the Resolution, interest on the duty at the rate of 5 % per annum will be charged by virtue of S. 5 of the Revenue Act, 1903.

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LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
LONDON WALL, BIRCHIN LANE, AND 49 PARLIAMENT STREET, LONDON;
AND TEMPLE ROW, BIRMINGHAM.

Presented by LINKLATERS & PAINES.
2, BOND COURT,
WALBROOK, E.C.4

X of the Company or affecting directly and adversely the special rights and privileges attached to the Preference Shares and also if and when the Preference dividend is in arrear, the Preference Shareholders are, on a poll, entitled to two votes for each Preference Share held.

TO THE REGISTRAR OF COMPANIES.

Carpet Trades Limited, hereby give you notice, pursuant to section 52 of The Companies Act, 1929, that by (a) Special Resolution of the Company dated the third day of February, 1936, the nominal Capital of the Company has been increased by the addition thereto of the sum of £500,000 beyond the Registered Capital of £500,000

The additional Capital is divided as follows:—

| Number of Shares | Class of Shares | Nominal amount of each share |
|---|---|---|
| 500,000 | Preference NOT REDEEMABLE | £1. |

The Conditions (b) subject to which the new Shares have been or are to be issued are as follows:—

The Preference Shares entitle the holders to a fixed cumulative preferential dividend at the rate of 5 per cent, per annum on the capital for the time being paid up and on a winding up, to repayment of the capital paid up, together with any arrears of the preferential dividend (whether earned or declared or not) calculated to the date of repayment, in priority to any payments to holders of the Ordinary Shares, but to no further right to participate in profits or assets.

On a show of Hands every member present is entitled to one vote and on a poll to one vote per share (whether Preference or Ordinary), except that on resolutions relating to the winding up X

*Signature* [signature]

*(State whether Director or Manager or Secretary.)*

Dated the 3rd day of February 1936

(a) "Ordinary," "Extraordinary," or "Special."

(b) *e.g.*, "Voting Rights," "Dividends," etc.

*(If any of the new Shares are Preference Shares state whether they are redeemable or not.)*

No. 309779. 48

THE COMPANIES ACT, 1929.

*COMPANY LIMITED BY SHARES.*

# Resolution

— OF —

# CARPET TRADES LIMITED

REGISTERED 16 JUL 1948

*Passed 30th June, 1948.*

At an EXTRAORDINARY GENERAL MEETING of CARPET TRADES LIMITED, duly convened and held on the 30th day of June, 1948, the following Resolution was duly passed as a SPECIAL RESOLUTION:—

RESOLUTION.

THAT the Company's Articles of Association be amended by the insertion after Article 81 of the following new Article, to be called Article 81A:—

"81A. Without in any way limiting or restricting the general powers of the Board to grant pensions, allowances or other similar payments to officers or ex-officers, employees or ex-employees of the Company, or the dependants or connections of any such persons, it is hereby expressly declared that the Board may, upon any person who was or is for the time being a Director of the Company ceasing for any cause to hold some other office or place of profit (including that of Managing Director) previously held by him under the Company, make such grants or pay such pension or other retiring or similar allowance to such person or his relatives, connections or dependants as the Board may think fit, and it shall be no objection to any such grant or payment that such person may remain an ordinary Director of the Company entitled to participate in the remuneration payable to the Directors. Any such grant, pension or other allowance may be made payable for such period and upon such terms and conditions as the Board in its discretion may from time to time determine, but shall only be made in respect of some office, place of profit or services other than service as an ordinary Director and any such Director qualifying under this Article for the receipt of a pension may be included in any approved Superannuation Scheme which is for the time being administered by the Company."

*Chairman.*

M 10127 9/7/48

1921

No. of Company 309779/50

C.A. 15.
7/48.
[103]

# THE COMPANIES ACT, 1948.

**Notice of Place where Register of Members is kept or of any Change in that Place.**

*(Pursuant to Section 110 (3).)*

COMPANIES REGISTRATION FIVE SHILLINGS COMPANIES REGISTRATION

A 5s. Companies Registration Fee Stamp must be impressed here.

Name of Company CARPET TRADES LIMITED.

REGISTERED 27 AUG 1948

To the REGISTRAR OF COMPANIES.

CARPET TRADES LIMITED. Limited hereby gives you notice, in accordance with subsection (3) of Section 110 of the Companies Act, 1948, that the register of members of the company is kept at HIGGINSON & Co. 16, BISHOPSGATE, LONDON, E.C. 2.

*Signature* [signature]

(State whether Director or Secretary)

Dated the 25th day of July 1948.

PUBLISHED AND SOLD BY

WATERLOW & SONS LIMITED,

LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,

London Wall, London, E.C.2, Parliament Street, London, S.W.1;
77, Colmore Row, Birmingham, 3;
12 & 14, Brown Street, Manchester, 2.

Filed by HIGGINSON & Co.
16, BISHOPSGATE,
LONDON, E.C. 2.

75

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

HOLDERS OF PREFERENCE SHARES

IN

# CARPET TRADES LIMITED

*Passed 20th March*, 1951

REGISTERED 21 MAR 1951

At an EXTRAORDINARY GENERAL MEETING of the holders of Preference Shares of £1 each in the capital of Carpet Trades Limited duly convened and held on 20th March, 1951, the following Resolution was duly passed as an Extraordinary Resolution.

## RESOLUTION

THAT this meeting of the holders of Preference Shares of £1 each in the capital of Carpet Trades Limited hereby sanctions the borrowing by the Directors for the purposes of the Company of moneys in excess of 25% of the nominal amount of the issued share capital of the Company Provided That the amount for the time being remaining undischarged of moneys borrowed by the Directors for the purposes of the Company shall not at any time exceed by more than £100,000 the nominal amount of the issued share capital of the Company.

168

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

EXTRAORDINARY RESOLUTION

of

Holders of Preference Shares

in

# CARPET TRADES LIMITED

Passed 25th July, 1951

At a Separate Meeting of the Holders of Preference Shares of £1 each in the capital of Carpet Trades Limited, duly convened and held on 25th July, 1951, the following Resolution was duly passed as an Extraordinary Resolution :—

RESOLUTION

THAT this Meeting of the Holders of Preference Shares of £1 each in the capital of Carpet Trades Limited hereby sanctions all modifications or abrogations of the rights attached to such shares which may be effected by or involved in the passing by Carpet Trades Limited of a Special Resolution in the form or to the effect following :—

" THAT the Company's Articles of Association be altered by the deletion of Article 87 and the substitution of the following Article therefor :

87. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party : Provided that the aggregate amount for the time being remaining outstanding of moneys so borrowed or secured and of moneys borrowed or secured by any

subsidiary of the Company (exclusive of moneys outstanding in respect of borrowings by the Company from any such subsidiary or borrowings by any such subsidiary from another such subsidiary or from the Company) shall not at any time without the previous sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the Preference Shares exceed 25% of the nominal amount of the issued share capital of the Company, nor without the previous sanction of an Ordinary Resolution of the Company exceed by more than £100,000 the nominal amount of the issued share capital of the Company, but no debt incurred or security given in respect of moneys borrowed or secured in excess of the limit hereby imposed shall be invalid or ineffectual except in the case of express notice at the time the debt was incurred or the security given that the limit hereby imposed had been or was thereby exceeded: Provided further that the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the Preference Shares shall not be required in case of borrowings whether secured or unsecured by the Company or by any subsidiary of the Company from the Bankers of the Company or of any such subsidiary as the case may be in the ordinary course of business.

For the purposes of this Article :—

(*a*) Moneys borrowed by a person other than a subsidiary company of the Company the repayment whereof is guaranteed by the Company or by such a subsidiary company and

(*b*) Shares issued by a company other than the Company repayment of the capital whereof is guaranteed by the Company or a subsidiary company of the Company

shall be deemed to be moneys borrowed by the Company or by that subsidiary company."

*Chairman.*

309179 | 69.

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

SPECIAL RESOLUTION

of

# CARPET TRADES LIMITED

Passed 25th July, 1951

At the 15th Annual General Meeting of Carpet Trades Limited, duly convened and held on 25th July, 1951 the following Resolution was duly passed as a Special Resolution :—

RESOLUTION

THAT the Company's Articles of Association be altered by the deletion of Article 87 and the substitution of the following Article therefor :

87. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party : Provided that the aggregate amount for the time being remaining outstanding of moneys so borrowed or secured and of moneys borrowed or secured by any subsidiary of the Company (exclusive of moneys outstanding in respect of borrowings by the Company from any such subsidiary or borrowings by any such subsidiary from another such subsidiary or from the Company) shall not at any time without the previous sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the Preference Shares exceed 25% of the nominal amount of the issued share capital of the Company, nor without the previous sanction of an Ordinary Resolution of the Company exceed by more than £100,000 the nominal amount of the issued share capital of the

Company, but no debt incurred or security given in respect of moneys borrowed or secured in excess of the limit hereby imposed shall be invalid or ineffectual except in the case of express notice at the time the debt was incurred or the security given that the limit hereby imposed had been or was thereby exceeded: Provided further that the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the Preference Shares shall not be required in case of borrowings whether secured or unsecured by the Company or by any subsidiary of the Company from the Bankers of the Company or of any such subsidiary as the case may be in the ordinary course of business.

For the purposes of this Article :—

(*a*) Moneys borrowed by a person other than a subsidiary company of the Company the repayment whereof is guaranteed by the Company or by such a subsidiary company and

(*b*) Shares issued by a company other than the Company repayment of the capital whereof is guaranteed by the Company or a subsidiary company of the Company

shall be deemed to be moneys borrowed by the Company or by that subsidiary company.

*Chairman.*

No. 309779. /80

# CARPET TRADES LIMITED

## Special Resolutions

*Passed 10th December 1953.*

AT an EXTRAORDINARY GENERAL MEETING of CARPET TRADES LIMITED, duly convened, and held on the 10th day of December 1953, the following **Resolutions** were duly passed as **Special Resolutions** :—

RESOLUTIONS.

1. That the name of the Company be changed to "JOHN CROSSLEY – CARPET TRADES HOLDINGS LIMITED."

2. That it is desirable to transfer to a subsidiary company incorporated for the purpose the undertaking and assets of the Company (other than such part of the cash resources as the Directors may determine) subject to the liabilities of the Company and that the two Agreements in relation thereto produced to this meeting and signed for identification by Slaughter and May be and are hereby approved, and that the Directors be and they are hereby authorised and directed to enter into the said Agreements (with or without modification) in due order and carry the same into effect.

3. That with a view to the acquisition of the whole of the issued Preference and Ordinary Stock in the capital of John Crossley & Sons, Limited, the Share Capital of the Company be increased to £2,500,000 by the creation of 750,000 5 per cent. Cumulative Preference Shares of £1 each and 1,500,000 Ordinary Shares of 10s. each.

4. That the regulations contained in the printed document submitted to the meeting and for the purpose of identification subscribed by the Chairman thereof be and they are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles thereof.

J. B. HILL,
*Secretary.*

S.L.S.S.—C333022-05930

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Articles of Association

OF

# CARPET TRADES LIMITED

## TABLE A

1. Neither the regulations in Table A in the First Schedule to the Companies Act, 1929, nor the regulations in Table A in the First Schedule to the Companies Act, 1948 shall apply to the Company.

## INTERPRETATION

2. In these presents if not inconsistent with the subject or context :—

The words standing in the first column of the following Table shall bear the meanings set opposite to them respectively in the second column thereof.

| WORDS | MEANINGS |
|---|---|
| The Act ... ... | The Companies Act, 1948. |
| These presents ... | These Articles of Association as now framed or as from time to time altered by special resolution. |
| The Office... ... | The Registered Office of the Company. |
| The Seal ... ... | The Common Seal of the Company. |
| The United Kingdom | Great Britain and Northern Ireland. |
| The Board ... | The Board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present. |
| The Register ... | The Register of Members of the Company. |
| In writing ... | Written or produced by any substitute for writing, or partly written and partly so produced. |
| Paid up ... ... | Paid up or credited as paid up. |

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 ;

Words importing persons shall include corporations ;

The expressions " debenture " and " debenture holder " shall include " debenture stock " and " debenture stockholder ";

The expression " the Secretary " shall include a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary ;

The expression " dividend " shall include " bonus " ;

Reference to any provision of the Act shall be construed as a reference to such provision as modified by any Statute for the time being in force.

3. Subject to the last preceding Article, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

## BUSINESS

4. The Company was formed on the basis of the Agreement referred to in paragraph 3 (1) of the Company's Memorandum of Association and no objection to the validity of that Agreement shall be raised on the ground that the Vendors stood in a fiduciary relation to the Company or that any of the Directors of the Company accepted office at their request and that the Board was not therefore an independent Board and the vendors shall be entitled to retain any consideration or benefit under the said Agreement and shall not be accountable for the same or any part thereof and no claim in respect thereof shall be made by the Company or any of its Members or the Liquidator thereof against the vendors on the ground that they stood in any such fiduciary relation as aforesaid or otherwise.

5. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall think fit, and

further may be suffered by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with the same.

6. The Office shall be at such place in England as the Board shall from time to time appoint.

7. No part of the funds of the Company shall be employed in the subscription or purchase of or in loans upon the security of the Company's shares or those of its holding company (if any) and the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with any purchase or subscription by any person of shares in the Company or in its holding company (if any) nor make, or guarantee or provide any security in connection with, a loan to any Director of the Company or of its holding company (if any); but nothing in this Article shall prohibit transactions authorised by sections 54 or 190 of the Act.

## SHARE CAPITAL

8. The share capital of the Company at the date of adoption of these presents is £2,500,000, divided into 1,250,000 5 per cent. Cumulative Preference Shares of £1 each and 2,500,000 Ordinary Shares of 10/- each.

9. The said 5 per cent. Cumulative Preference Shares entitle the holders thereof to the special rights and privileges and subject them to the restrictions and provisions following, namely :—

(1) The Preference Shares shall carry a fixed cumulative preferential dividend at the rate of 5 per cent. per annum and in a winding up shall entitle the holders to repayment of the capital paid up thereon (together with a sum equal to any arrears or deficiency of the dividend payable thereon calculated down to the date of the return of capital and to be payable irrespective of whether such dividend shall have been earned or declared or not) in priority to any payment to the holders of the Ordinary Shares but the Preference Shares shall not entitle the holders to any further or other participation in the profits or assets of the Company.

(2) For the purpose of this Article the special rights attached to the Preference Shares in the present capital shall be deemed to be modified by the issue of further Preference

Shares ranking *pari passu* therewith if the issue of such further Preference Shares will cause the total amount of the issued Preference Shares to exceed 50 per cent. of the total issued share capital of the Company; but except as aforesaid or as expressly provided by the terms of issue of any other shares or class of shares issued with preferred or other special rights, the special rights attached to any shares or class of shares issued with preferred or other special rights shall not be deemed to be modified by the creation or issue of further shares ranking *pari passu* therewith.

10. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by resolution determine.

11. Subject to the provisions of section 58 of the Act, any preference shares may, with the sanction of a special resolution, be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may by special resolution determine.

## MODIFICATION OF RIGHTS

12. Subject to the provisions of Section 72 of the Act whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate meeting of such holders (but not otherwise) be modified or abrogated and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate meeting all the provisions of these presents relating to General Meetings or to the proceedings thereat shall *mutatis mutandis* apply except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present in person or by proxy shall be a quorum) and that the holders of shares of the class shall on a poll have one vote in respect of every share of the

class held by them respectively. Subject as hereinbefore provided in regard to the 5 per cent. Cumulative Preference Shares, the special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided by the conditions of issue o[illegible] s[illegible] be deemed to be modified or abrogated by the cre[illegible] or [illegible] of further shares ranking *pari passu* therewith.

13. The Company shall not exercise or permit the exercise of the voting right conferred by any Share owned by the Company in any Subsidiary Company of the Company in favour of any Resolution which attaches to any Share in such Subsidiary Company any preferred or special rights in regard to voting dividend or return of capital or otherwise except with the consent or sanction of the holders of the 5 per cent. Cumulative Preference Shares given in the manner mentioned in Article 12 hereof.

## SHARES

14. Subject to the provisions of these presents, the unissued shares of the Company whether forming part of the original or any increased capital shall be at the disposal of the Board, which may allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine, but so that no shares shall be issued at a discount except in accordance with section 57 of the Act.

15. The Company may exercise the powers of paying commissions conferred by section 53 of the Act, provided that the rate or amount of the commission paid or agreed to be paid and the number of shares which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by the said section, and that such commission shall not exceed 10 per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

16. Except as ordered by a Court of competent jurisdiction or as by law required, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or

(except only as by these presents or by law otherwise provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

17. Every person whose name is entered as a Member in the Register shall be entitled, without payment, to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares of any one class, or several certificates each for one or more of his shares of such class upon payment of such sum, not exceeding one shilling, for every certificate after the first as the Board shall from time to time determine. Provided always that when a Member has sold part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.

18. If a share certificate be defaced, lost or destroyed it may be replaced on payment of such fee (if any) not exceeding one shilling and on such terms (if any) as to evidence and indemnity and payment of the out-of-pocket expenses of the Company of investigating such evidence as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

## LIEN

19. The Company shall have a lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share, and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company, and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such Member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends payable thereon. But the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

20. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is

presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the holder for the time being of the share or to the person entitled by reason of his death or bankruptcy to the share.

21. The net proceeds of sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares and he 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.

## CALLS ON SHARES

22. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal amount of the shares or be payable at less than one month from the date fixed for payment of the last previous call, and each Member shall (subject to the Company giving to him at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.

23. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

25. If a sum called in respect of a share be not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate,

not exceeding 10 per cent per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

26. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

27. The Board may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

28. The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company in general meeting shall otherwise direct) 10 per cent. per annum as may be agreed upon between the Board and the Member paying such sum in advance.

## TRANSFER OF SHARES

29. Subject to such of the restrictions of these presents as may be applicable, any Member may transfer all or any of his shares by transfer in writing in the usual common form or in any other form which the Board may approve.

30. The instrument of transfer of a share shall be signed by both 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 in respect thereof. All instruments of transfer, when registered, shall be retained by the Company.

31. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of shares (other than fully paid shares) to a person of whom it shall not approve. The Board may also decline to register any transfer of shares on which the Company has a lien.

32. The Board may also decline to recognise any instrument of transfer unless :—

(*a*) Such fee, not exceeding two shillings and sixpence, as the Board may from time to time require is paid to the Company in respect thereof ;

(*b*) The instrument of transfer is lodged at the Office or such other place as the Board may appoint, accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer ; and

(*c*) The instrument of transfer is in respect of only one class of share.

33. If the Board refuses to register a transfer it shall, within two months after the date on which the transfer was lodged, send to the transferee notice of the refusal.

34. The register of transfers may be closed at such times and for such period as the Board may from time to time determine provided always that it shall not be closed for more than thirty days in any year.

35. The Company shall be entitled to charge a fee of two shillings and sixpence on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, distringas notice or other instrument relating to or affecting the title to any share.

## TRANSMISSION OF SHARES

36. In case of the death of a Member the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole holder, shall be the only persons 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 with other persons.

37. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may upon such evidence being produced as may from time to time be required by the Board

and subject as hereinafter provided either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.

38. If the person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company a notice in writing signed by him, stating that he so elects. If he shall elect to have his nominee registered he shall testify his election by executing to his nominee a transfer of such share. All the limitations restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

39. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member 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 the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof.

## FORFEITURE OF SHARES

40. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any expenses which may have been incurred.

41. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which and the place where the payment required by the notice 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 or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and in, such case, references herein to forfeiture shall include surrender.

42. If the requirements of any such notice as aforesaid be not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or

instalments, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

43. When any share has been forfeited, notice of the forfeiture shall forthwith be given to the person who was, before forfeiture, the holder of the share or the person who was, before forfeiture, entitled to the share by reason of the death or bankruptcy of the holder (as the case may be); but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.

44. A forfeited share shall be deemed to be the property of the Company and 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 Board shall think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board may think fit.

45. A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine, not exceeding ten per cent per annum, from the date of forfeiture until payment.

46. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the same is sold or disposed of, and he shall thereupon be registered as the holder of the share 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 irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

## STOCK

47. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may reconvert any stock into paid up shares of any denomination.

48. Subject to the provisions of the next following Article the holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit.

49. The Board may in relation to any class of stock, from time to time fix the minimum amount of such stock transferable and restrict or forbid the transfer of fractions of such minimum, but the minimum shall not exceed the nominal amount of the share from which the stock arose.

50. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and in assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage.

51. All such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words " share " and " shareholder " herein shall include " stock " and " stockholder."

## INCREASE OF CAPITAL

52. The Company may from time to time by extraordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

53. The Company may, by the resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of section 57 of the Act) at a discount to all the ordinary shareholders for the time being in proportion to the number of ordinary shares held by them respectively or may make any other provisions as to the issue of the new shares. In default of any such direction or so far as the same shall not extend, the new shares shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons and on such terms as it shall think fit.

54. The new shares shall be subject to all the provisions of these presents with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise and, unless otherwise provided in accordance with these presents, shall be issued as Ordinary Shares.

## ALTERATIONS OF CAPITAL

55. The Company may from time to time by ordinary resolution :—

(*a*) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

(*b*) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of section 61 (1) (*d*) of the Act), and so that the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over, or may have such qualified or deferred rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new shares.

(*c*) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

And may also by special resolution :—

(*d*) Reduce its share capital and any capital redemption reserve fund or any share premium account in any manner and with and subject to any incident authorised and consent required by law.

## GENERAL MEETINGS

56. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

57. All general meetings other than annual general meetings shall be called extraordinary general meetings.

58. The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general 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. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

## NOTICE OF GENERAL MEETINGS

59. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner hereinafter mentioned to such persons as are, in accordance with the provisions of these presents, entitled to receive such notices from the Company, and also to the Auditors of the Company for the time being.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed :—

(*a*) In the case of a meeting called as the annual general meeting by all the Members entitled to attend and vote thereat ; and

(*b*) In the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

In every notice calling a meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member.

60. The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

61. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of the declaration and sanctioning of dividends, the consideration of the accounts and balance sheet and the reports of the Directors and Auditors, the election of Directors and Auditors and other officers in place of those retiring, the fixing of the remuneration of the Auditors and the voting of remuneration to the Directors.

62. No business shall be transacted at any general meeting unless a quorum be present when the meeting proceeds to business. Save as otherwise provided by these presents, two Members present in person and entitled to vote shall be a quorum for all purposes. A corporation being a Member shall be deemed for the purpose of this Article to be personally present if represented in accordance with the provisions of section 139 of the Act.

63. If within half an hour from the time appointed for the meeting a quorum be 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, or to such other day and at such other time or place as the Chairman may determine, and the provisions of Article 65 shall apply. If at such adjourned meeting a quorum as above defined be not present within fifteen minutes from the time appointed for holding the meeting the meeting shall be dissolved.

64. The Chairman (if any) of the Board or, in his absence, the deputy-Chairman (if any) shall preside as Chairman at every general meeting of the Company. If there be no such Chairman or deputy-Chairman, or if at any meeting neither the Chairman

nor the deputy-Chairman be present within fifteen minutes after the time appointed for holding the meeting, or if neither of them be willing to act as Chairman, the Directors present shall choose one of their number to act, or if one Director only be present he shall preside as Chairman if willing to act. If no Director be present, or if all the Directors present decline to take the chair, the Members present shall choose by show of hands one of their number to be Chairman.

65. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

66. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll be demanded by the Chairman or by at least three Members present in person or by proxy and entitled to vote or by any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting or holding shares conferring a right to vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right. Unless a poll be so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost, and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such a resolution.

67. If any votes shall be counted which ought not to have been counted or might have been rejected the error shall not vitiate the resolution unless it be pointed out at the same meeting and not in that case unless it shall, in the opinion of the Chairman of the meeting, be of sufficient magnitude to vitiate the resolution.

68. If a poll be duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

69. In case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the Chairman of such meeting shall be entitled to a second or casting vote.

70. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place and in such manner as the Chairman directs not being more than two weeks from the date of the meeting.

71. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn at any time before the next business is proceeded with.

## VOTES OF MEMBERS

72. On a show of hands every Member who is present in person shall have one vote. On a poll every person who is present in person or by proxy shall have one vote for every share (whether Preference or Ordinary) of which he is the holder. Provided that the Preference Shares shall on a poll entitle the holders to two votes for every Preference Share held on a resolution for winding up the Company or for any reduction of capital involving any repayment of capital on the Preference Shares or on any resolution directly and adversely affecting the special rights or privileges attached to the Preference Shares proposed at any General Meeting and also on every resolution proposed at any General Meeting held whilst the dividend on the Preference Shares is in arrear and so for this purpose the dividend on the Preference Shares shall be deemed to be payable half-yearly on the 30th June and the 31st December in every year.

73. In the case of joint holders of a share 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 joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register.

74. In accordance with section 139 of the Act a corporation being a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled

to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.

75. A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction for the protection of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, *curator bonis* or other person in the nature of a committee or *curator bonis* appointed by such court, and such committee, *curator bonis* or other person may vote on a poll by proxy.

76. No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

77. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

78. On a poll votes may be given either personally or by proxy.

79. 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 the appointor be a corporation, either under its common seal or under the hand of an officer or attorney so authorised.

80. A proxy need not be a Member of the Company. Any Member may appoint more than one proxy to attend on the same occasion.

81. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.

82. An instrument appointing a proxy may be in the usual common form or in such other form as the Board may accept and need not be witnessed. Such instrument shall unless the contrary is stated thereon be valid as well for any adjournment of the meeting as for the meeting to which it relates and shall be deemed to include the right to demand or join in demanding a poll.

83. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, or the transfer of the share in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

## DIRECTORS

84. Unless and until otherwise determined by the Company in general meeting, the Directors shall be not less than six and not more than eighteen in number.

85. The Directors shall be entitled to such remuneration as shall from time to time be determined by the Company in general meeting, and such remuneration shall be divided among the Directors as the Board may by resolution determine or, failing such determination, equally, except that in such event any Director holding office for less than a year shall only rank in such division in proportion to the period during which he has held office during such year. The Directors shall also be entitled to be paid their reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or otherwise incurred while engaged on the business of the Company.

86. Any Director who, by request, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine which shall be charged as part of the Company's ordinary working expenses.

87 (*a*) A Director of the Company may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested, and

no such Director shall be accountable for any remuneration or other benefits received by him as a director or officer of or from his interest in such other company. Subject to the provisions of Article 13 the Board may also exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the members of the Board or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company. And any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to become a director or officer of such other company and as such, or in any other manner, is or may be interested in the exercise of such voting rights in manner aforesaid.

(*b*) A Director holding office as Director of any other Company not being a Subsidiary Company of the Company shall declare his holding of such office to the Board. In the case of a salaried or Managing Director, he shall not hold office, whether as a Director, Manager, or otherwise, in any other Company not being a Subsidiary Company of the Company, unless he shall first have declared the nature and extent of such services and obtained the consent of the Board.

88. (*a*) 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 upon such terms as the Board may determine, and may receive such remuneration therefor as the Board may think fit in addition to any other remuneration hereunder. Subject to the next paragraph of this Article, no Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

(*b*) A Director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering

into the contract or arrangement is first taken into consideration, if his interest then exists, or in any other case at the first meeting of the Board after he becomes so interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in all transactions with such company or firm shall be a sufficient declaration of interest under this Article, and after such general notice it shall not be necessary to give any special notice relating to any subsequent transaction with such company or firm, provided that either the notice is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

(*c*) A Director shall not vote (nor be counted in the quorum) in respect of any contract or arrangement in which he is interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any arrangement for giving to any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company, nor to any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the Director has himself guaranteed or secured, nor to any contract by a Director to subscribe for or underwrite shares or debentures of the Company, nor to any contract or arrangement with a corporation in which he is interested only by reason of being a director, officer, creditor or member of such corporation, and it may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, by the Company in general meeting.

(*d*) A Director, notwithstanding his interest, may be counted in the quorum present for the purpose of considering the appointment of himself or of any other Director to hold any such office or place of profit under the Company as aforesaid or of arranging the terms of any such appointment or matters relating to schemes or funds for the provision of pensions or other retirement benefits for employees of the Company in which he may be interested and he may vote on any such appointment or arrangement (other than his own appointment or the arrangement of the terms thereof) and on such matters.

(*e*) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor), and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

89. The qualification of a Director shall be the holding alone, and not jointly with any other person, of shares of the Company

of any class or classes of the nominal amount of £100. A Director may act before obtaining his qualification but, if not already qualified, shall obtain such qualification within two months after his appointment, and in default his office shall be vacated. If at any time after the expiration of such two months a Director shall cease to hold his qualification, his office shall be vacated. A person vacating office under this Article shall be incapable of being re-appointed a Director until he shall have obtained his qualification.

90. The office of a Director shall be vacated in any of the events following, namely :—

(*a*) If (not being an Executive Director holding office for a fixed term) he resign his office by writing under his hand left at the Office.

(*b*) If he be found or become of unsound mind or become bankrupt or compound with his creditors.

(*c*) If, without leave, he be absent, otherwise than on the business of the Company, from meetings of the Board for six consecutive months, and the Board resolve that his office be vacated.

(*d*) If he be prohibited from being a Director by reason of any order made under section 188 of the Act.

(*e*) If he be removed from office pursuant to section 184 of the Act.

(*f*) If he vacates office pursuant to the provisions of Article 89 or of Article 91.

91. A Director shall vacate his office at the conclusion of the Annual General Meeting commencing next after he shall have attained the age of 65 years, unless a Resolution shall be passed at such Meeting extending his appointment for a maximum period of 5 years, and on the expiration of such extended period he shall not be capable of re-election. Provided that acts done by a person as Director shall be valid notwithstanding that it is afterwards discovered that his appointment had terminated by virtue of this Article. Where a Director vacates office under this Article the provisions of Article 110 will not apply and if at the Meeting at which he retires the vacancy is not filled under Article 112, Article 115 shall not apply but the vacancy may be filled as a casual vacancy under Article 117.

## POWERS AND DUTIES OF DIRECTORS

92. The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are not by the Act or by these presents required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these presents and of the Act and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

93. The Board may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on as or through one or more subsidiary companies and the Board may on behalf of the Company make such arrangements as the Board think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing assisting or subsidizing any such subsidiary company or guaranteeing its contracts obligations or liabilities and the Board may appoint remove and re-appoint any persons (whether a Director of the Company or not) to act as Directors Managing Directors or Managers of any such company or any other company in which the Company may be interested and may determine the remuneration (whether by way of salary commission on profits or otherwise) of any persons so appointed and any Directors of the Company may retain any remuneration so payable to them.

94. The Board may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

95. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

96. The Company may exercise the powers conferred by section 35 of the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Board.

97. The Company may exercise the powers conferred by sections 119 to 122 of the Act with regard to the keeping of a Dominion Register, and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any such Register.

98. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party: Provided that the aggregate amount for the time being remaining outstanding of moneys so borrowed or secured and of moneys borrowed or secured by any subsidiary of the Company (exclusive of moneys outstanding in respect of borrowings by the Company from any such subsidiary or borrowings by any such subsidiary from another such subsidiary or from the Company) shall not at any time without the previous sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the Preference Shares exceed 25% of the amount of the issued and paid up share capital of the Company, nor without the previous sanction of an Ordinary Resolution of the Company exceed by more than £100,000 the amount of the issued and paid up share capital of the Company, but no debt incurred or security given in respect of moneys borrowed or secured in excess of the limit hereby imposed shall be invalid or ineffectual exce[illegible]he case of express notice at the time the debt was incurred or [illegible]y given that the limit hereby imposed had been or was thereby exceeded: Provided further that the sanction of an Extraordinary Resolution passed

at a separate meeting of the holders of the Preference Shares shall not be required in case of borrowings whether secured or unsecured by the Company or by any subsidiary of the Company from the Bankers of the Company or of any such subsidiary as the case may be in the ordinary course of business.

For the purposes of this Article :—

(*a*) Moneys borrowed by a person other than a subsidiary company of the Company the repayment whereof is guaranteed by the Company or by such a subsidiary company and

(*b*) Shares issued by a company other than the Company repayment of the capital whereof is guaranteed by the Company or a subsidiary company of the Company

shall be deemed to be moneys borrowed by the Company or by that subsidiary company.

99. All cheques, promissory notes, drafts, bills of exchange and other negotiable and transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

100. The Board shall cause minutes to be made in books provided for the purpose :—

(*a*) Of all appointments of officers made by the Board.

(*b*) Of the names of the Directors present at each Board or Committee meeting.

(*c*) Of all resolutions and proceedings at all meetings of the Company and of the Board and of the Committees.

101. The Board shall cause to be kept the register of the Directors' holdings of shares and debentures required by section 195 of the Act, and shall render the same available for inspection during the period and by the persons prescribed, and produce the same at every annual general meeting as required by that section.

## MANAGING DIRECTOR

102. The Board may from time to time appoint one or more of its body to the office of Managing Director or Assistant Managing

Director for such period and upon such terms as it thinks fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. Any such appointment shall (without prejudice to any claim the appointee may have for damages for breach of any contract of service between him and the Company) *ipso facto* determine if he cease from any cause to be a Director.

103. A Managing Director or Assistant Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

104. The Board may entrust to and confer upon a Managing Director or Assistant Managing Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with or to the exclusion of its own powers, and may from time to time (subject to the terms of any agreement entered into in any particular case) revoke, withdraw, alter or vary all or any of such powers.

## SECRETARY

105. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit ; and any Secretary so appointed may be removed by the Board.

106. A provision of the Act or these presents requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## PENSIONS AND ALLOWANCES

107. Without in any way limiting or restricting the general powers of the Board to grant pensions, allowances or other similar payments to officers or ex-officers, employees or ex-employees of the Company, or the relatives or dependants of any such persons, it is hereby expressly declared that the Board may, upon any person who was or is for the time being a Director of the Company ceasing for any cause to hold some other office or place of profit (including that of Managing Director) previously held by him under the Company make such grants or pay such pension or other retiring or

similar allowance to such person or his relatives or dependants as the Board may think fit, and it shall be no objection to any such grant or payment that such person may remain an ordinary Director of the Company entitled to participate in the remuneration payable to the Directors. Any such grant, pension or other allowance may be made payable for such period and upon such terms and conditions as the Board in its discretion may from time to time determine, but shall only be made in respect of some office, place of profit or services other than service as an ordinary Director and any such Director qualifying under this Article for the receipt of a pension may be included in any approved Superannuation Scheme which is for the time being administered by the Company.

## THE SEAL

108. The Board shall provide for the safe custody of the Seal, which shall not be affixed to any instrument except in the presence of at least two Directors or at least one Director and the Secretary and such Directors or Director and Secretary shall sign every instrument to which the Seal is so affixed in their presence. All forms of certificate for shares, stock or debentures or representing any other form of security (other than letters of allotment, scrip certificates and other like documents) shall be issued under the Seal and bear the autographic signatures of one or more Directors and the Secretary.

## ROTATION OF DIRECTORS

109. At every annual general meeting one-third of the Directors for the time being or if their number be not a multiple of three the number nearest to but not exceeding one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

110. The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

111. A retiring Director shall, subject to the provisions of section 185 of the Act and of Article 91, be eligible for re-election.

112. The Company at the meeting at which a Director retires in manner aforesaid shall fill up the vacated office by electing a person thereto unless at such meeting it be expressly resolved not to fill up

such vacated office. The Company may also in general meeting (subject to the provisions of Article 114) elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents.

113. Except as otherwise authorised by section 183 of the Act, the election or appointment of any person proposed as a Director shall be effected by a separate resolution, and a single resolution purporting to elect or appoint two or more persons to be Directors shall be ineffective and void.

114. No person, other than a Director retiring at the meeting, shall, unless recommended by the Board, be eligible for election to the office of a Director at any general meeting unless, not less than three and not more than twenty-one clear days 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.

115. If at any meeting at which an election of Directors ought to take place the place of any retiring Director be not filled up such Director, if offering himself for re-election, shall be deemed to have been re-elected unless at such meeting it be expressly resolved not to fill up such place or unless either a motion that he be not re-elected is carried or a motion that he be re-elected is put to the meeting and defeated.

116. The Company in general meeting may from time to time increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office.

117. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these presents to appoint any person to be a Director, the Board shall have power at any time and from time to time to appoint any person (subject to the provisions of section 185 of the Act and of Article 91) to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents. Any Director so appointed shall hold office only until the next following annual general meeting and shall then

be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

118. The Company may by extraordinary resolution, or (subject to the provisions of section 184 of the Act) by ordinary resolution of which special notice has been given in accordance with section 142 of the Act, remove any Director before the expiration of his period of office and may (subject to Article 114 or to the said provisions as the case may be) by an ordinary resolution appoint another person in his stead. 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 a Director.

## PROCEEDINGS OF THE BOARD

119. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may and the Secretary on the requisition of a Director shall at any time summon a Board meeting. In the event of any such requisition 3 days' notice at least (inclusive of the day on which the notice was served or deemed to have been served and of the day for which the notice is given) specifying the place, date and hour of the meeting and the general nature of the business to be transacted shall be given to each Director for the time being. It shall not be necessary to give notice of a Board meeting to any Director for the time being absent from the United Kingdom.

120. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two.

121. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number be reduced below the minimum number fixed by or in accordance with these presents the continuing Directors may act for the purpose of filling up vacancies in their body or of summoning general meetings of the Company but not for any other purpose, and may act for either of the purposes aforesaid whether or not their number be reduced below the number fixed by or in accordance with these presents as the quorum.

122. The Board may elect a Chairman and deputy-Chairman of its meetings and determine the period for which they are respectively to hold office. If no such Chairman or deputy-Chairman be elected, or if at any meeting neither the Chairman nor the deputy-Chairman be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

123. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board.

124. The Board may delegate any of its powers to committees, whether consisting of a member or members of its body or not, as it thinks 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 Board.

125. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.

126. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Board or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned.

127. All acts done by any Board or committee or by any person acting as a Director, 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 or had vacated office, shall be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director.

## DIVIDENDS

128. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

129. No dividend shall be payable except out of the profits of the Company or in excess of the amount recommended by the Board.

130. Where any asset business or property is bought by the Company as from a past date the actual profit or loss as the case may be so accruing as from such date may at the discretion of the Board but subject to the provisions of the Act be credited or debited wholly or in part to revenue account or otherwise dealt with as if the same were a profit or loss arising from the business of the Company.

131. All dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid ; but if any share be issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

132. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the position of the Company ; the Board may also pay the fixed dividend payable on any preference shares of the Company half-yearly or otherwise on fixed dates, whenever such position, in the opinion of the Board, justifies that course.

133. The Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

134. No dividend shall bear interest against the Company.

135. The Board may retain any dividends or bonuses payable on shares on which the Company has a lien and may apply the same in or towards satisfaction of the debts liabilities or engagements in respect of which the lien exists.

136. The Board may retain the dividends and bonuses payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.

137. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first on the Register in respect of the shares. Every such cheque or warrant shall, unless the holder otherwise directs, be made payable to the order of the registered holder, or in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by such joint holders.

138. Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may fix the value for distribution of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution.

## RESERVES

139. The Board may before recommending any dividend set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to divide.

140. The Board shall transfer to share premium account as required by section 56 of the Act sums equal to the amount or value of any premiums at which shares of the Company may be issued, and, subject to the provisions of the said section, the provisions of these presents relating to reserves shall be applicable to the sums for the time being standing to the credit of share premium account.

## CAPITALISATION OF PROFITS

141. The Company in general meeting may at any time and from time to time pass a resolution to the effect that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserves or to the credit of the profit and loss account or otherwise available for distribution and not required for the payment of the accrued fixed dividends on any preference shares of the Company and accordingly that such sum be set free for distribution among the Members holding ordinary shares in proportion to the amounts paid up on the issued ordinary shares held by them respectively, on the footing that the same be not paid in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members or partly in one way and partly in the other, and the Board shall give effect to such resolution. Provided that a share premium account and a capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid.

142. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract requisite or convenient for giving effect thereto and such appointment shall be effective and binding upon the Members.

## ACCOUNTS

143. The Board shall cause true accounts complying with section 147 of the Act to be kept:—

(*a*) Of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place; and

(*b*) Of all sales and purchases of goods by the Company; and

(*c*) Of the assets and liabilities of the Company.

144. The books of account shall be kept at the Office or, subject to section 147 (3) of the Act, at such other place or places as the Board may think fit and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board.

145. The Board shall from time to time, in accordance with sections 148, 150 and 157 of the Act, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

146. A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall not less than twenty-one days before the date of the meeting be sent to every Member and to every holder of debentures of the Company and three copies of each of these documents shall at the same time be forwarded to the Secretary of the Share and Loan Department, The Stock Exchange, London. Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

## AUDIT

147. Auditors shall be appointed and their duties regulated accordance with sections 159 to 162 of the Act.

## NOTICES

148. Any notice or other document may be served by the Company on 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. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

149. Any Member described in the Register by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid no Member

other than a Member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.

150. Any notice or other document, if served by post, shall be deemed to have been served at the time when the same was put into the post office, and in proving such service it shall be sufficient to prove that the notice or document was properly addressed, stamped and put into the post office.

151. Any notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service of the notice or document, have been removed from the Register as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

## WINDING-UP

152. If the Company shall be wound up the Liquidator may, with the sanction of an extraordinary resolution of the members, divide among the members in specie or kind the whole or any part of the assets of the Company and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the Liquidator, with the like sanction, shall think fit.

## INDEMNITY

153. Every Director, Managing Director, Manager, Officer and Auditor of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, Managing Director, Manager, Officer or Auditor 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 448 of the Act in which relief is granted to him by the Court.

Subscribed for Identification
M. Chatterton
Chairman
10th Dec 1953

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# New Articles of Association

OF

# CARPET TRADES LIMITED

DANIEL GREENAWAY & SONS LTD. *Day and Night Printers*
Dashwood House, 69 Old Broad Street, London, E.C.2
*Telephone*: London Wall 7525 · KB 3583

Company Number 309779

B

Reference: C.R.98/2253/53

BOARD OF TRADE,

COMPANIES ACT, 1948

CARPET TRADES LIMITED Limited

Pursuant to the provisions of Sub-Section (1) of Section 18 of the Companies Act, 1948, the Board of Trade hereby approve of the name of the above-named Company being changed to JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED.

Signed on behalf of the Board of Trade this fourteenth day of December 1953.

REGISTERED 14 DEC 1953

Authorised in that behalf by the President of the Board of Trade.

No. C. 60.

(S2879) Wt. 10875—3490 800 6/53. P. & N., Ltd. G813

No. C.172.

DUPLICATE FOR THE FILE

No. 309779/87

# Change of Name

## Certificate *pursuant to Section 18(3) of the Companies Act, 1948.*

I Hereby Certify that CARPET TRADES LIMITED

having, with the sanction of a Special Resolution of the said Company and with the approval of the BOARD OF TRADE, changed its name, is now called

JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

and I have entered such new name on the Register accordingly.

Given under my hand at London, this fourteenth day of December One thousand nine hundred and fifty three

*Registrar of Companies.*

Certificate received by A/File for Slaughter & May 18 Austin Friars EC2

Date 14-12-53

A1473

42101/3199 1M (1) 4/53 (P.3855) 11025/353 1M (1) 5/53 AT&S. 311/1.

No. 309779. 184

# CARPET TRADES LIMITED

## Extraordinary Resolution

OF

PREFERENCE SHAREHOLDERS

*Passed 10th December 1953.*

RED 10 DEC 1953

AT a SEPARATE CLASS MEETING of the holders of the 5 per cent. Cumulative Preference Shares of CARPET TRADES LIMITED, duly convened, and held on the 10th day of December 1953, the following **Resolution** was duly passed as an **Extraordinary Resolution** :—

RESOLUTION.

That this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in Carpet Trades Limited convened pursuant to Article 8 of the Articles of Association of the Company hereby consents (i) to the issue by the Company of not exceeding 593,985 5 per cent. Cumulative Preference Shares in exchange for 5 per cent. Cumulative Preference Stock of John Crossley & Sons, Limited, on a par for par basis in accordance with the terms of the Offer made by the Company to the holders of the 5 per cent. Cumulative Preference Stock and Ordinary Stock of John Crossley & Sons, Limited, dated the 11th November 1953, notwithstanding that thereby the total amount of the issued 5 per cent. Cumulative Preference Shares may exceed 50 per cent. of the total issued share capital of the Company, and (ii) to any and all modifications of the rights attached to the said Preference Shares which may arise in consequence of the adoption of new Articles of Association in the form this day submitted to and approved by an Extraordinary General Meeting of the Company.

J. B. HILL,

*Secretary.*

S.L.20

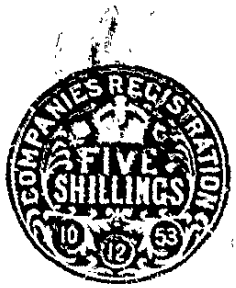
S.L.S.S.—CS33021-65040

A 1149

10 DEC 1953

*Number of Company* 309779/85

**Form No. 10.**



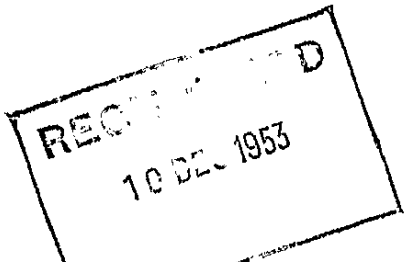

# THE COMPANIES ACT 1948

## Notice of Increase in Nominal Capital

**Pursuant to section 63**

*Insert the Name of the Company* CARPET TRADES

## LIMITED




NOTE.—This notice and a printed copy of the Resolution authorising the increase must be filed within 15 days after the passing of the Resolution. If default is made the Company and every officer in default is liable to a default fine (sec. 63 (3) of the Act).

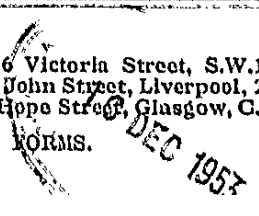
*Presented by*

SLAUGHTER AND MAY (T/EL),

18, Austin Friars,

E.C.2.

The Solicitors' Law Stationery Society, Limited,
22 Chancery Lane, W.C.2; 3 Bucklersbury, E.C.4; 49 Bedford Row, W.C.1; 6 Victoria Street, S.W.1; 15 Hanover Street, W.1; 55-59 Newhall Street, Birmingham, 3; 19 & 21 North John Street, Liverpool, 2; 28-30 John Dalton Street, Manchester, 2; 75 St. Mary Street, Cardiff; and 157 Hope Street, Glasgow, C.2.
PRINTERS AND PUBLISHERS OF COMPANIES BOOKS AND FORMS.



*To* THE REGISTRAR OF COMPANIES.

CARPET TRADES

Limited, hereby gives you notice, pursuant to Section 63 of the Companies Act, 1948, that by a *Special Resolution of the Company dated the 10th day of December, 1953 the Nominal Capital of the Company has been increased by the addition thereto of the sum of £1,500,000 beyond the Registered Capital of £1,000,000

*"Ordinary," "Extraordinary," or "Special".

The additional Capital is divided as follows:—

| Number of Shares | Class of Share | Nominal amount of each Share |
|---|---|---|
| 750,000 | 5% Cumulative Preference | £1 |
| 1,500,000 | Ordinary | 10/- |

The Conditions (e.g., voting rights, dividend rights, winding-up rights, etc.) subject to which the new shares have been, or are to be, issued are as follows:—

The new (non-redeemable) Preference Shares will rank pari passu with the existing 500,000 5 per cent. Cumulative Preference Shares of £1 each; the new Ordinary Shares will rank pari passu with the existing 1,000,000 Ordinary Shares of 10/- each.

**If any of the new shares are Preference Shares state whether they are redeemable or not.

*Signature* [signature]

*State whether Director or Secretary* Secretary & Director

Number of Company 309779

Form No. 26a

25 MAY 1954 INLAND REVENUE

# THE STAMP ACT 1891

(54 & 55 VICT., CH. 39)

COMPANY LIMITED BY SHARES

## Statement of Increase of the Nominal Capital

OF

REGISTERED 1 JUN 1954

CARPET TRADES

LIMITED

**Pursuant to Section 112 of the Stamp Act 1891 as amended by Section 7 of the Finance Act 1899, by Section 39 of the Finance Act 1920, and Section 41 of the Finance Act 1933.**

*NOTE.—The Stamp duty on an increase of Nominal Capital is Ten Shillings for every £100 or fraction of £100.*

Statement is to be filed with the Notice of Increase which must be filed pursuant to Section 63 (1) of the Companies Act 1948. If not so filed within 15 days after the passing of the Resolution by which the Capital is increased, interest on the duty at the rate of 5 per cent. per annum from the date of the passing of the Resolution is also payable. (Section 5 of the Revenue Act 1903.)

*Presented by*

SLAUGHTER AND MAY (T/EL),

10, Austin Friars,

E.C.2.

COMPANIES REGISTRATION OFFICE 1 JUN 1954

The Solicitors' Law Stationery Society, Limited.
22 Chancery Lane, W.C.2; 3 Bucklersbury, E.C.4; 49 Bedford Row, W.C.1; 6 Victoria Street, S.W.1; 15 Hanover Street, W.1; 55-59 Newhall Street, Birmingham, 3; 19 & 21 North John Street, Liverpool, 2; 28-30 John Dalton Street, Manchester, 2; 75 St. Mary Street, Cardiff; 157 Hope Street, Glasgow, C.2.

PRINTERS AND PUBLISHERS OF COMPANIES' BOOKS AND FORMS

Companies 6B

F802.26-11-52

[P.T.O.

# THE NOMINAL CAPITAL

OF

CARPET TRADES *Limited*

*has by a Resolution of the Company dated* 10th December 1953 *been increased by the addition thereto of the sum of* £1,500,000, *divided into :—*

750,000 5% Cumulative Preference *Shares of* £1 *each*

and

1,500,000 Ordinary *Shares of* 10/- *each*

*beyond the registered Capital of* £1,000,000

*Signature* [signature]

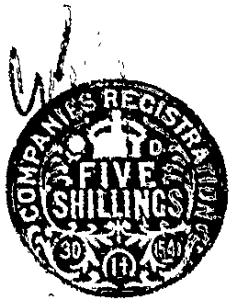
(*State whether Director or Secretary*) Secretary & Director

Dated the 10th day of December 1953

Note.—This margin is reserved for binding and must not be written across

No. 309779 /99

THE COMPANIES ACT, 1948




*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

**of**

**Preference Shareholders**

**in**

# JOHN CROSSLEY—CARPET TRADES HOLDINGS LIMITED

*Passed 16th November, 1954*

At a SEPARATE MEETING of the Holders of the Preference Shares in JOHN CROSSLEY—CARPET TRADES HOLDINGS LIMITED duly convened and held on 16th November, 1954, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION :—

## RESOLUTION

THAT this meeting of the holders of the 5% Cumulative Preference Shares of £1 each in John Crossley—Carpet Trades Holdings Limited hereby consents to any and all modifications of the rights attached to the said Preference Shares to be effected by or involved in the alterations to Article 72 of the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting.

For and on behalf of
JOHN CROSSLEY-CARPET TRADES
HOLDINGS LIMITED.

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Resolution

of

# JOHN CROSSLEY—CARPET TRADES HOLDINGS LIMITED

(*Passed 16th November, 1954*)

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY — CARPET TRADES HOLDINGS LIMITED duly convened and held on 16th November, 1954, the following Resolutions were duly passed, the third as a SPECIAL RESOLUTION : —

29 NOV 1954

## RESOLUTIONS

1. THAT the capital of the Company be increased to £3,500,000 by the creation of 2,000,000 Ordinary Shares of 10s. each.

2. THAT it is desirable to capitalise the sum of £883,390 being as to £784,667 10s. 0d. the amount standing to the credit of Share Premium Account and as to £98,722 10s. 0d. part of the amount standing to the credit of the Capital Reserve and, accordingly, that such sum be set free for distribution among the Members holding Ordinary Shares registered at the close of business on 5th November, 1954, in proportion to the amounts paid up on the issued Ordinary Shares held by them respectively, on the footing that the same be not paid in cash but be applied in paying up in full 1,766,780 unissued Ordinary Shares of 10s. each in the Company and that such Ordinary Shares be allotted and distributed credited as fully paid up among such Members in the proportion of one new Ordinary Share for each Ordinary Share held at the close of business on 5th November, 1954.

3. THAT Article 72 of the Articles of Association of the Company be altered in manner following : —

   (*a*) by deleting the second sentence thereof and substituting the following therefor : —

   "On a poll every Member who is present in person or by proxy shall have one vote for every Ordinary Share and two votes for every Preference Share of which he is the holder."

   (*b*) by deleting the word "two" at the end of line five thereof and substituting the word "four" therefor.

For and on behalf of
JOHN CROSSLEY—CARPET TRADES HOLDINGS LIMITED.

*ıber of* E03772 / 10 /
*pany*

Form No. 10.

# THE COMPANIES ACT 1948

COMPANIES REGISTRATION OFFICE FIVE SHILLINGS 30 JUN 64

# Notice of Increase in Nominal Capital

**Pursuant to section 63**

*ert the name the pany* JOHN CROSSLEY - CARPET TRADES HOLDINGS

29 NOV 1954

# LIMITED

NOTE.—This notice and a printed copy of the Resolution authorising the increase must be filed within 15 days after the passing of the Resolution. If default is made the Company and every officer in default is liable to a default fine (sec. 63 (3) of the Act).

*ented by*

SLAUGHTER AND MAY (T/EL)

18 Austin Friars,

London, E.C.2.

29 NOV 1954

The Solicitors' Law Stationery Society, Limited,
Chancery Lane, W.C.2; 3 Bucklersbury, E.C.4; 49 Bedford Row, W.C.1; 6 Victoria Street, S.W.1; Hanover Street, W.1; 55-59 Newhall Street, Birmingham, 3; 19 & 21 North John Street, Liverpool, 2; 30 John Dalton Street, Manchester, 2; 75 St. Mary Street, Cardiff; and 157 Hope Street, Glasgow, C.2.
PRINTERS AND PUBLISHERS OF COMPANIES BOOKS AND FORMS.

F2134.11-5-54 Companies 6A

C./64

(P.T.O.

*To* THE REGISTRAR OF COMPANIES.

JOHN CROSSLEY - CARPET TRADES HOLDINGS

Limited, hereby gives you notice, pursuant t

*"Ordinary," "Extra-ordinary," or "Special".

Section 63 of the Companies Act, 1948, that by an* Ordinary Resolution of the Company dated the Sixteenth day of November 1954 the Nominal Capital of the Company has been increased by the addition thereto o the sum of £1,000,000 beyond the Registered Capita of £ 2,500,000

The additional Capital is divided as follows :—

| Number of Shares | Class of Share | Nominal amount of each Share |
|---|---|---|
| 2,000,000 | Ordinary | 10s. |

The Conditions (e.g., voting rights, dividend rights, winding-up rights, etc. subject to which the new shares have been, or are to be, issued are as follows :—

1,033,560 of the above new Shares (together with 733,220 of the unissued Ordinary Shares) have been issued and rank pari passu in all respects with the existing issued Ordinary Share The remaining 966,440 Ordinary Shares will remain unissued. The conditions subject to which these Shares will be issued will be determined at the time of issue.

**If any of the new shares are Preference Shares state whether they are redeemable or not.

*Signature* S. H. Rayner.

*State whether Director or Secretary* Secretary.

Dated the day of November 195 4

Number of Company 203773

Form No. 26a

# THE STAMP ACT 1891

(54 & 55 VICT., CH. 39)

COMPANY LIMITED BY SHARES

## Statement of Increase of the Nominal Capital

OF

JOHN CROSSLEY - CARPET TRADES HOLDINGS

LIMITED

29 NOV 1954

Pursuant to Section 112 of the Stamp Act 1891 as amended by Section 7 of the Finance Act 1899, by Section 39 of the Finance Act 1920, and Section 41 of the Finance Act 1933.

*NOTE.—The Stamp duty on an increase of Nominal Capital is Ten Shillings for every £100 or fraction of £100.*

This Statement is to be filed with the Notice of Increase which must be filed pursuant to Section 63 (1) of the Companies Act 1948. If not so filed within 15 days after the passing of the Resolution by which the Capital is increased, interest on the duty at the rate of 5 per cent. per annum from the date of the passing of the Resolution is also payable. (Section 5 of the Revenue Act 1903.)

*Presented by*

SLAUGHTER AND MAY (T/EL)

18 Austin Friars,

London, E.C.2.

The Solicitors' Law Stationery Society, Limited.
22 Chancery Lane, W.C.2; 3 Bucklersbury, E.C.4; 49 Bedford Row, W.C.1; 6 Victoria Street, S.W.1; 15 Hanover Street, W.1; 55-59 Newhall Street, Birmingham, 3; 19 & 21 North John Street, Liverpool, 1; 28-30 John Dalton Street, Manchester, 2; 75 St. Mary Street, Cardiff; 157 Hope Street, Glasgow, C.2.
PRINTERS AND PUBLISHERS OF COMPANIES' BOOKS AND FORMS

F1068A-8-54

Companies

P.T.O.

# THE NOMINAL CAPITAL

OF

JOHN CROSSLEY - CARPET TRADES HOLDINGS *Limited*

*has by a Resolution of the Company dated* 16th November 1954 *been increased by the addition thereto of the sum of* £1,000,000, *divided into :—*

2,000,000 Ordinary *Shares of* 10s. *each*

\- *Shares of* - *each*

*beyond the registered Capital of* £2,500,000

*Signature* D. H. Lawson

(*State whether Director or Secretary*) Secretary

Dated the ..... day of November 1954

Note.—This margin is reserved for binding and must not be written across

No. 309779. /114

THE COMPANIES ACT, 1948.

*COMPANY LIMITED BY SHARES.*

# Extraordinary Resolution

OF

Preference Shareholders

IN

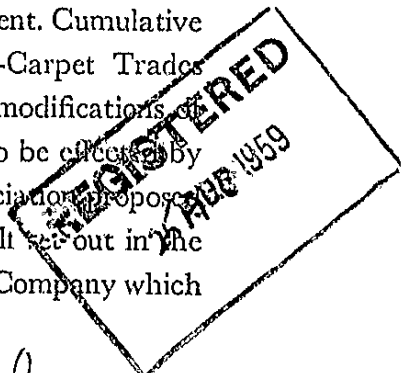
# John Crossley-Carpet Trades Holdings Limited

*Passed 18th August,* 1959.

At a SEPARATE MEETING of the Holders of the Preference Shares in JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 18th August, 1959, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

## RESOLUTION.

THAT this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in John Crossley-Carpet Trades Holdings Limited hereby consents to any and all modifications of the rights attached to the said Preference Shares to be effected by or involved in the alterations to the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting.




*Secretary.*

B., M. & Co., Ltd. 85386.

SLAUGHTER & MAY

o. 309779. /115

THE COMPANIES ACT, 1948.

*COMPANY LIMITED BY SHARES.*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

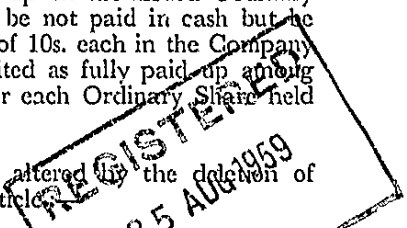
(*Passed 18th August,* 1959.)

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 18th August, 1959, the following Resolutions were duly passed, the third as a SPECIAL RESOLUTION: —

## RESOLUTIONS.

1. THAT the capital of the Company be increased to £5,000,000 by the creation of 3,000,000 Ordinary Shares of 10s. each.

2. THAT it is desirable to capitalise the sum of £1,766,780 being as to £23,647 the whole of the amount standing to the credit of Capital Reserve, as to £1,500,000 the whole of the amount standing to the credit of General Reserve and as to £243,133 part of the amount standing to the credit of Profit and Loss Account and, accordingly, that such sum be set free for distribution among the Members holding Ordinary Shares registered at the close of business on 25th July, 1959, in proportion to the amounts paid up on the Issued Ordinary Shares held by them respectively, on the footing that the same be not paid in cash but be applied in paying up in full 3,533,560 unissued Ordinary Shares of 10s. each in the Company and that such Ordinary Shares be allotted and distributed credited as fully paid up among such Members in the proportion of one new Ordinary Share for each Ordinary Share held at the close of business on 25th July, 1959.




3. THAT the Articles of Association of the Company be altered by the deletion of Article 72 thereof and the substitution therefor of the following Article:—

"72. On a show of hands every Member who is present in person shall have one vote. On a poll every person who is present in person or by proxy shall have one vote for every Ordinary Share and four votes for every Preference Share of which he is the holder. Provided that the Preference Shares shall on a poll entitle the holders to eight votes for every Preference Share held on a resolution for winding up the Company or for any reduction of capital involving any repayment of capital on the Preference Shares or on any resolution directly and adversely affecting the special rights or privileges attached to the Preference Shares proposed at any General Meeting and also on every resolution proposed at any General Meeting held whilst the dividend on the Preference Shares is in arrear and so for this purpose the dividend on the Preference Shares shall be deemed to be payable half-yearly on the 30th June and the 31st December in every year."

*Secretary.*

*mber of* 323779 / 116
*mpany*

Form No. 10.

# THE COMPANIES ACT, 1948

# Notice of Increase in Nominal Capital

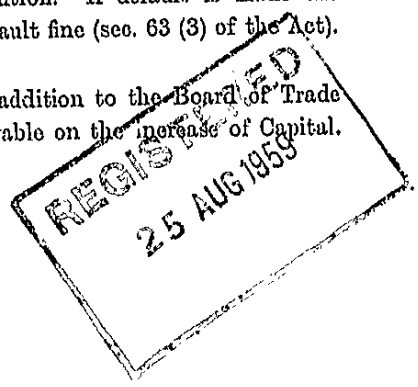
**Pursuant to section 63**

*Insert the Name of the Company* { JOHN CROSSLEY-CARPET TRADES HOLDINGS }

## LIMITED

NOTE.—This Notice and a printed copy of the Resolution authorising the increase must be filed within 15 days after the passing of the Resolution. If default is made the Company and every officer in default is liable to a default fine (sec. 63 (3) of the Act).

A filing fee of 5s. is payable on this Notice in addition to the Board of Trade Registration Fees (if any) and the Capital Duty payable on the increase of Capital. (See Twelfth Schedule to the Act).




*Presented by*

Slaughter and May (GL/PDM)

18 Austin Friars,

London, E.C.2.

The Solicitors' Law Stationery Society, Limited
2 Chancery Lane, W.C.2; 3 Bucklersbury, E.C.4; 49 Bedford Row, W.C.1; 6 Victoria Street, S.W.1; 5 Hanover Street, W.1; 55-59 Newhall Street, Birmingham, 3; 31 Charles Street, Cardiff; 19 & 21 North John Street, Liverpool, 2; 28-30 John Dalton Street, Manchester, 2; and 157 Hope Street, Glasgow, C.2.
PUBLISHERS OF COMPANIES BOOKS AND FORMS

*To* THE REGISTRAR OF COMPANIES.

John Brooke-Jarrett Textiles Holdings

Limited, hereby gives you notice, pursuant to Section 63 of the Companies Act, 1948, that by an *Ordinary Resolution of the Company dated the 18th day of August 1959 the Nominal Capital of the Company has been increased by the addition thereto of the sum of £1,500,000 beyond the Registered Capital of £3,500,000

*"Ordinary", "Extraordinary", or "Special".

The additional Capital is divided as follows:—

| Number of Shares | Class of Share | Nominal amount of each Share |
|---|---|---|
| 3,000,000 | Ordinary | 10s. |

The Conditions (e.g., voting rights, dividend rights, winding-up rights, etc.) subject to which the new shares have been, or are to be, issued are as follows:—

3,567,120 of the above new Shares (together with 966,440 of the unissued Ordinary Shares) have been issued and rank pari passu in all respects with the existing Ordinary Shares. The remaining 432,880 Ordinary Shares will remain unissued. The conditions subject to which these Shares will be issued will be determined at the time of issue

*** If any of the new shares are Preference Shares state whether they are redeemable or not.

*Signature* [signature]

*State whether Director or Secretary* Secretary

Note.—This margin is reserved for binding and must not be written across

*umber of* 22,772/17
*mpany*

Form No. 26a

# THE STAMP ACT, 1891

(54 & 55 VICT., CH. 39)

## COMPANY LIMITED BY SHARES

# Statement of Increase of the Nominal Capital

OF

JOHN CROSSLEY-CARPET TRADES HOLDINGS

## LIMITED

**Pursuant to Section 112 of the Stamp Act, 1891, as amended by Section 7 of the Finance Act, 1899, by Section 29 of the Finance Act, 1920, and Section 41 of the Finance Act, 1933.**

*NOTE.—The Stamp duty on an increase of Nominal Capital is Ten Shillings for every £100 or fraction of £100.*

is Statement is to be filed with the Notice of Increase which must be filed pursuant to Section 63 (1) of the Companies Act, 1948. If not so filed within 15 days after the passing of the Resolution by which the Capital is increased, interest on the duty at the rate of 5 per cent. per annum from the date of the passing of the Resolution is also payable. (Section 5 of the Revenue Act, 1903.)

REGISTERED 25 AUG 1959

*esented by*

Slaughter and May (SL/PDM)

18 Austin Friars,

London, E.C.2.

The Solicitors' Law Stationery Society, Limited.
22 Chancery Lane, W.C.2; 3 Bucklersbury, E.C.4; 49 Bedford Row, W.C.1; 6 Victoria Street, S.W.1; 15 Hanover Street, W.1; 55-59 Newhall Street, Birmingham, 3; 31 Charles Street, Cardiff; 19 & 21 North John Street, Liverpool, 2; 28-30 John Dalton Street, Manchester, 2; 157 Hope Street, Glasgow, C.2.
PRINTERS AND PUBLISHERS OF COMPANIES' BOOKS AND FORMS

# THE NOMINAL CAPITAL

OF

JOHN CROSSLEY-CARPET TRADES HOLDINGS *Limited*

*has by a Resolution of the Company dated* 18th August 1959 *been increased by the addition thereto of the sum of* £1,500,000., *divided into :—*

3,000,000 *Shares of* 10s *each*

*Shares of* *each*

*beyond the registered Capital of* £3,500,000

*Signature* [signature]

*(State whether Director or Secretary)* Secretary

Dated the 18th day of August 1959

Note.—This margin is reserved for binding and must not be written across

No. 309779. 137

THE COMPANIES ACT, 1948.

*COMPANY LIMITED BY SHARES.*

# Extraordinary Resolution

OF

**Preference Shareholders**

IN

# John Crossley-Carpet Trades Holdings Limited

*Passed 28th April, 1966.*

At a SEPARATE MEETING of the Holders of the Preference Shares in JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 28th April, 1966, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

## RESOLUTION

THAT this Meeting of the Holders of the 5 per cent. Cumulative Preference Shares of £1 each in John Crossley-Carpet Trades Holdings Limited hereby consents to any and all modifications of the rights attached to the said Preference Shares to be effected by or involved in the alterations to the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of that Company which accompanied the Notice convening this Meeting.

N. I. LOWTHER,
*Secretary.*

REGISTERED
3 MAY 1966

B., M. & Co., Ltd. 83307L.

THE COMPANIES ACT, 1948

COMPANIES REGISTRATION

*COMPANY LIMITED BY SHARES.*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

2 MAY 1966

*Passed 28th April,* 1966.

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 28th April, 1966, the following Resolutions were duly passed, the first as an EXTRAORDINARY RESOLUTION and the third as a SPECIAL RESOLUTION:—

## RESOLUTIONS

1. THAT the capital of the Company be increased from £5,000,000 to £7,000,000 by the creation of 4,000,000 Ordinary Shares of 10s. each ranking *pari passu* in all respects with the existing Ordinary Shares of 10s. each in the capital of the Company.

2. THAT it is desirable to capitalise the sum of £1,821,127 10s. 0d. (being as to £137,122 13s. 9d. the balance standing to the credit of Share Premium Account and as to the remaining £1,684,004 16s. 3d. part of the balance standing to the credit of General Reserve) and accordingly that such sum be capitalised and that the Directors be and they are hereby authorised to appropriate as capital to and amongst the Members registered at the close of business on the 31st day of March, 1966, as the holders of the issued Ordinary Shares of 10s. each in the capital of the Company in proportion to the number of such Shares held by them respectively and to apply such sum on their behalf in paying up in full at par 3,642,255 of the unissued Ordinary Shares of 10s. each in the capital of the Company and that such 3,642,255 Ordinary Shares be allotted and distributed credited as fully paid up to and amongst such Members in the proportion of one such Ordinary Share for every two Ordinary Shares held by such Members at the close of business on the 31st day of March, 1966 and so that such new Shares shall not rank for any dividends declared in respect of the period ended the 4th day of December, 1965, but shall rank *pari passu* with the existing Ordinary Shares for all dividends hereafter declared on the Ordinary capital of the Company, and that any such new Ordinary Shares representing fractional entitlements shall be allotted to trustees and sold on the market, and the net proceeds of sale distributed *pro rata* amongst the Members otherwise entitled to a fraction of a share.

3. THAT the Articles of Association of the Company be altered in manner following that is to say:—

(*a*) by deleting Article 72 and by substituting therefor the following new Article, namely:—

"72. On a show of hands every Member who is present in person shall have one vote. On a poll every person who is present in person or by proxy shall have one vote for every Ordinary Share and five votes for every Preference Share of which he is the holder. Provided that the Preference Shares shall on a poll entitle the holders to nine votes for every Preference Share held on a resolution for winding up the Company or for any reduction of capital involving any repayment of capital on the Preference Shares or on any resolution directly and adversely affecting the special rights and privileges attached to the Preference Shares proposed at any General Meeting and also on every resolution proposed at any General Meeting held whilst the dividend on the Preference Shares is in arrear and so that for this purpose the dividend on the Preference Shares shall be deemed to be payable half-yearly on the 30th day of June and the 31st day of December in every year."

(*b*) by deleting Article 108 and by substituting therefor the following new Article, namely:—

"108. The Board shall provide for the safe custody of the Seal, which shall not be affixed to any instrument except in the presence of at least two Directors or at least one Director and the Secretary and such Directors or Director and Secretary shall sign every instrument to which the Seal is so affixed in their presence. Provided that every certificate for shares, debentures or debenture stock shall be issued under the Seal but such certificates need not be signed or countersigned by any person."

W. T. LOWTHER,
*Secretary.*



... & M. & Co. Ltd. S31751.

Form 10.

No. of Company 309779

THE COMPANIES ACT 1948

COMPANIES REGISTRATION

# Notice of Increase in Nominal Capital.

*Pursuant to Section* 63.

Name of Company: JOHN CROSSLEY-CARPET TRADES HOLDINGS Limited.

REGISTERED 2 MAY 1966

The Notice must be sent to the Registrar within 15 days from the date of the passing of the Resolution by which the Increase has been authorised, under a penalty for default.

A Statement of the increase of the Nominal Capital must be filed pursuant to S. 112, Stamp Act, 1891, as amended by S. 39 of the Finance Act, 1920. If not so filed within 15 days of the passing of the Resolution, interest on the duty at the rate of 5 % per annum will be charged by virtue of S. 5 of the Revenue Act, 1903.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, London Wall, London, E.C.2;
49, Parliament Street, Westminster, S.W.1; 107, Park Lane, Marble Arch, W.1;
77, Colmore Row, Birmingham, 3; 109, The Headrow, Leeds, 1.

Presented by
Messrs. Booth & Co.,(WD), Solicitors,
Phoenix House, South Parade,
Leeds, 1.

TO THE REGISTRAR OF COMPANIES.

JOHN CROSSLEY-CARPET TRADES HOLDINGS

Limited, hereby gives you notice pursuant to section 63 of The Companies Act, 1948, that by (a) an Extraordinary Resolution of the Company dated the Twenty eighth day of April, 1966, the nominal Capital of the Company has been increased by the addition thereto of the sum of £ 2,000,000 beyond the Registered Capital of £ 5,000,000

The additional Capital is divided as follows:—

| Number of Shares | Class of Shares | Nominal amount of each share |
|---|---|---|
| 4,000,000 | Ordinary | 10s. |

The Conditions (b) subject to which the new Shares have been or are to be issued are as follows:—

Ranking pari passu in all respects with the existing Ordinary Shares of the Company save that they shall not rank for any dividends declared in respect of the period ended 4th December 1965.

*Signature* [signature] Secretary

*(State whether Director or Secretary.)*

Dated the Twenty-eighth day of April 1966

(a) "Ordinary," "Extraordinary," or "Special."

(b) *e.g.*, voting rights, dividend rights, winding up rights, etc.

*(If any of the new Shares are Preference Shares state whether they are redeemable or not.)*

No. of Certificate 309779 1141 Cap

Form 26A.

£10,000

JOHN CROSSLEY-CARPET TRADES HOLDINGS

LIMITED

Statement of Increase of Nominal Capital pursuant to s. 112 of the Stamp Act, 1891. (NOTE.—The Stamp Duty on an increase of Nominal Capital is [illegible] shillings for every £100 or fraction of £100—Section 41, Finance Act, 1933.)

This statement is to be filed within 15 days after the passing of the Resolution by which the Registered Capital is increased, and if not so filed Interest on the Duty at the rate of 5 per cent. per annum from the passing of the Resolution is also payable (s. 5, Revenue Act, 1903).

NOTE.—Attention is drawn to Section 63 of the Companies Act, 1948, relative to the filing of a Notice of Increase and a printed copy of the Resolution authorising the Increase.

REGISTERED
19 MAY 1966

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, LONDON WALL, LONDON, E.C.2;
49, PARLIAMENT STREET, WESTMINSTER, S.W.1; 107, PARK LANE, MARBLE ARCH, W.1;
77, COLMORE ROW, BIRMINGHAM, 3; 109, THE HEADROW, LEEDS, 1;
12 & 14, BROWN STREET, MANCHESTER, 2.

Presented by Booth & Co., (WD), Solicitors,
Phoenix House,
South Parade, Leeds, 1.

1 MAY 1966

L.A. 39]
7/62.

4498 9

The NOMINAL CAPITAL of JOHN CROSSLEY-CARPET TRADES HOLDINGS Limited

has by a Resolution of the Company dated 28th April, 1966

been increased by the addition thereto of the sum of £2,000,000, divided into

4,000,000 shares of £ 10s. each beyond the Registered Capital of

£5,000,000.

Signature

State whether Director or Secretary Secretary

Date Twenty-eighth day of April 1966.

NOTE—This margin is reserved for Binding, and must not be written across.

J. N. RIES
G. H. DREYFUS
E. BEXTON
A. H. FOSTER
M. PAUL
F. C. MILLS, M.C., T.D

ASSOCIATE MEMBERS

R. R. ALEXANDER
R. C. BARRATT
A. BRADBERY
H. C. HARRIS
G. L. SOLOMON
G. E. STOKES
C. J. WYATT

GREENER, DREYFUS & CO.
INCORPORATING
MARKS, BULTEEL, MILLS & CO.
SALISBURY HOUSE,
AND STOCK EXCHANGE,
LONDON, E.C.2

TELEGRAMS:
DREYFUSICA, LONDON, E.C.2
TELEPHONE:
NATIONAL 8731 (18 LINES)
INTERNATIONAL TELEX: 28498

REGISTERED
27 OCT 1966

309779/145
Roger Wake

PRIVATE & CONFIDENTIAL

A copy of this letter, together with a copy of the enclosed Particulars and of the exchange of letters referred to therein, has been delivered to the Registrar of Companies for registration.

27th October 1966

Dear Sirs,

JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED
Issue of
£1,250,000 7¾% Debenture Stock 1967/92 at £99½%

We enclose Particulars dated 27th October 1966 of the above stock for which Kleinwort, Benson Limited has agreed to subscribe or procure subscribers subject to permission to deal in and quotation for the whole of the stock being granted by the Council of The Stock Exchange, London, not later than 9th November 1966.

On behalf of John Crossley-Carpet Trades Holdings Limited and in conjunction with Messrs. Hoare & Co., we have pleasure in offering you, subject to the above condition being fulfilled :

£ Stock

at £99½% free of commission, stamp and registration fee, payable in full on application.

Kindly complete and return the enclosed Form of Application so as to reach us not later than 3 p.m. on Monday 31st October, together with a cheque drawn on a City Branch of a London Clearing Bank for the amount due. Cheques, which should be made payable to 'Kleinwort, Benson Limited' will not be presented until Tuesday 1st November 1966 on which date fully-paid renounceable Letters of Allotment will be posted. Such Letters of Allotment will be renounceable up to and including Wednesday 14th December 1966 and dealings in the stock will commence on Wednesday 2nd November 1966.

Yours faithfully,

TELEPHONE NOS.
MONARCH 9900 (20 LINES)

C. G. HOARE, M.C.

L. R. SEYMOUR
H. W. NOBLE
B. YEATS BROWN
C. P. NEVE, O.B.E.
R. F. P. MORRIS, F.I.A.
LORD WARDINGTON
A. TYSER
S. D. CHRISTOPHERSON, D.S.O., M.C.
R. K. WESTMACOTT
W. J. F. BENTON, A.C.I.S.
C. E. W. B. HOARE
G. A. RALLI, A.C.A.
J. R. WOODCOCK
G. M. FOSTER, A.I.A.
J. B. BROOKS

HOARE & CO.
ATLAS HOUSE,
1, KING STREET,
LONDON, E.C.2.
(AND STOCK EXCHANGE)

TELEGRAPHIC ADDRESS:
"AURESCO, LONDON, E.C.2"

ASSOCIATES
F. G. GREENE
J. M. W. LLEWELLYN
F. J. CAMERON
R. E. DAVISON
P. E. DAWSON
R. H. BUNN, F.I.A.
J. R. MAITLAND
M. M. ROWE

309779 / 146

PRIVATE & CONFIDENTIAL

27th October, 1966.

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REGISTERED
27 OCT 1966

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at £99½% free of commission, stamp and registration fee, payable in full on application.

Kindly complete and return the enclosed Form of Application so as to reach us not later than 3 p.m. on Monday 31st October, together with a cheque drawn on a City Branch of a London Clearing Bank for the amount due. Cheques, which should be made payable to 'Kleinwort, Benson Limited' will not be presented until Tuesday 1st November, 1966 on which date fully-paid renounceable Letters of Allotment will be posted. Such Letters of Allotment will be renounceable up to and including Wednesday 14th December, 1966 and dealings in the stock will commence on Wednesday 2nd November, 1966.

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J. B. BROOKS

HOARE & Co.
ATLAS HOUSE,
1, KING STREET,
LONDON, E.C.2.
(ANGLO STOCK EXCHANGE)

TELEGRAPHIC ADDRESS
"AURESCO, LONDON, E.C.2"

ASSOCIATES
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F. J. CAMERON
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P. E. DAWSON
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J. R. MAITLAND
M. M. ROWE

30 9779 PRIVATE & CONFIDENTIAL

27th October, 1966.

147

A copy of this letter, together with a copy of the enclosed Particulars and of the exchange of letters referred to therein, has been delivered to the Registrar of Companies for registration.

REGISTERED
27 OCT 1966

Roger Wake.

Dear Sir

JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED
Issue of
£1,250,000 7¾% Debenture Stock 1987/92 at £99½%

We enclose Particulars dated 27th October, 1966 of the above stock for which Kleinwort, Benson Limited has agreed to subscribe or procure subscribers subject to permission to deal in and quotation for the whole of the stock being granted by the Council of The Stock Exchange, London, not later than 9th November, 1966.

On behalf of John Crossley-Carpet Trades Holdings Limited and in conjunction with Messrs. Greener, Dreyfus & Co., we have pleasure in offering you, subject to the above condition being fulfilled :

£ stock

at £99½% free of commission, stamp and registration fee, payable in full on application.

We reserve the right to recall up to £ of the stock offered until 3 p.m. on Tuesday 1st November, 1966. On the stock subject to recall a commitment commission of ½% will be paid whether or not the right is exercised.

Kindly complete and return the enclosed Form of Application so as to reach us not later than 3 p.m. on Monday 31st October, together with a cheque drawn on a City Branch of a London Clearing Bank for the amount due. Cheques, which should be made payable to 'Kleinwort, Benson Limited' will not be presented until Tuesday 1st November, 1966 on which date fully-paid renounceable Letters of Allotment will be posted. Such Letters of Allotment will be renounceable up to and including Wednesday 14th December, 1966 and dealings in the stock will commence on Wednesday 2nd November, 1966.

47

Yours faithfully,

H. N. RIES
C. H. DREYFUS
E. SEXTON
A. H. FOSTER
M. PAUL
P. C. MILLS, M.C., T.D

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GREENER, DREYFUS & CO.
INCORPORATING
MARKS, BURTEEL, MILLS & CO.
SALISBURY HOUSE,
AND STOCK EXCHANGE,
LONDON, E.C.2

REGISTRATION

TELEGRAMS,
DREYFUSICA, LONDON- E.C.2
TELEPHONE:
NATIONAL 8731 (10 LINES)
INTERNATIONAL TELEX: 28496

Roger Locke.

309779

148

PRIVATE & CONFILENTIAL

A copy of this letter, together with a copy of the enclosed Particulars and of the exchange of letters referred to therein, has been delivered to the Registrar of Companies for registration.

REGISTERED
27 OCT 1966

27th October 1966

Dear Sirs,

JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

Issue of

£1,250,000 7¼% Debenture Stock 1987/92 at £99½%

We enclose Particulars dated 27th October 1966 of the above stock for which Kleinwort, Benson Limited has agreed to subscribe or procure subscribers subject to permission to deal in and quotation for the whole of the stock being granted by the Council of The Stock Exchange, London, not later than 9th November 1966.

On behalf of John Crossley-Carpet Trades Holdings Limited and in conjunction with Messrs. Hoare & Co., we have pleasure in offering you, subject to the above condition being fulfilled :

£ stock

at £99½% free of commission, stamp and registration fee, payable in full on application.

We reserve the right to recall up to £ of the stock offered until 3 p. m. on Tuesday 1st November 1966. On the stock subject to recall a commitment commission of ½% will be paid whether or not the right is exercised.

Kindly complete and return the enclosed Form of Application so as to reach us not later than 3 p. m. on Monday 31st October, together with a cheque drawn on a City Branch of a London Clearing Bank for the amount due. Cheques, which should be made payable to 'Kleinwort, Benson Limited' will not be presented until Tuesday 1st November 1966, on which date fully-paid renounceable Letters of Allotment will be posted. Such Letters of Allotment will be renounceable up to and including Wednesday 14th December 1966 and dealings in the stock will commence on Wednesday 2nd November 1966.

Yours faithfully,

H. A. PIES
G. H. DREYFUS
E. SEXTON
A. H. FOSTER
M. PAUL
P. C. MILLS, M.C., T.D

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GREENER, DREYFUS & CO.
INCORPORATING
MARKS, BULTEEL, MILLS & CO.
SALISBURY HOUSE,
AND STOCK EXCHANGE,
LONDON, E.C.2

TELEGRAMS:
DREYFUSICA, LONDON, E.C.2
TELEPHONE:
NATIONAL 8731 (10 LINES)
INTERNATIONAL TELEX: 28496

309779 Roger Wake.

149

PRIVATE & CONFIDENTIAL

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REGISTERED
27OCT1966

27th October 1966

Dear Sirs,

JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED
Issue of
£1,250,000 7¾% Debenture Stock 1987/92 at £99½%

We enclose Particulars dated 27th October 1966 of the above stock for which Kleinwort, Benson Limited has agreed to subscribe or procure subscribers subject to permission to deal in and quotation for the whole of the stock being granted by the Council of The Stock Exchange, London, not later than 9th November 1966.

On behalf of John Crossley-Carpet Trades Holdings Limited and in conjunction with Messrs. Hoare & Co., we have pleasure in offering you, subject to the above condition being fulfilled :

£ stock (the first tranche)

at £99½% free of commission, stamp and registration fee, payable in full on application.

We will reserve for you until 12 noon on Tuesday 1st November 1966 :

£ stock (the second tranche)

at £99½% free of commission, stamp and registration fee, payable in full on application.

Allowances of ½% on the first tranche and ¼% on the second tranche will be paid to you on any of the above stock subscribed by you.

Kindly complete and return the enclosed Form of Application so as to reach us not later than 3 p.m. on Monday 31st October, together with a cheque drawn on a City Branch of a London Clearing Bank for the amount due. Cheques, which should be made payable to 'Kleinwort, Benson Limited' will not be presented until Tuesday 1st November 1966, on which date fully-paid renounceable Letters of Allotment will be posted. Such Letters of Allotment will be renounceable up to and including Wednesday 14th December 1966 and dealings in the stock will commence on Wednesday 2nd November 1966.

Yours faithfully,

When completed, this form, together with a cheque which should be made payable to 'Kleinwort Benson Limited' and be drawn on a City branch of a London Clearing Bank, should be sent to Messrs. Greener, Dreyfus & Co., 451 Salisbury House, London Wall, London E. C. 2. to reach them not later than 3 p. m. on Monday 31st October 1966.

FORM OF APPLICATION

Roger Wake

Kleinwort Benson Limited
and
John Crossley-Carpet Trades Holdings Limited

Dear Sirs,

JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED
Issue of
£1,250,000 7¾% Debenture Stock 1987/92 at £99½%

In reply to the letter from Messrs. Greener, Dreyfus & Co. dated 27th October 1966, I/we apply for up to £ stock on the terms of their letter.

Please procure the allotment of the said amount of stock, or such less amount as may be allotted to me/us, in the following name(s):

.....

.....

.....

.....

and arrange for the allotment letter to be sent to the following address:

.....

.....

.....

.....

I/We enclose a cheque for £ being payment of the amount due at £99½%.

I/We declare that I/we am/are not resident outside the Scheduled Territories* and I/we am/are not acquiring the stock as the Nominee(s) $\phi$ of any person(s) resident outside such Territories.

Yours faithfully,

* The Scheduled Territories at present comprise the British Commonwealth (except Canada and Rhodesia), the Irish Republic, British Trust Territories, British Protectorates and Protected States, Iceland, the Hashemite Kingdom of Jordan, Kuwait, Lybia, South Africa and South West Africa, Western Samoa.

$\phi$ Defined in the Notice E. C. Securities 8 (as amended) issued by the Bank of England.

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

**Holders of 5 per cent. Cumulative Preference Shares**

OF

# John Crossley-Carpet Trades Holdings Limited

REGISTERED
1 MAR 1967

(*Passed 1st March, 1967*)

At a SEPARATE GENERAL MEETING of the holders of the 5 per cent. Cumulative Preference Shares of the above-named Company duly convened and held at Winchester House, 77, London Wall, London, E.C.2, on Wednesday, the 1st day of March, 1967, the following Resolution was proposed and passed as an EXTRAORDINARY RESOLUTION of such holders.

## RESOLUTION

THAT consent be and is hereby given to the passing by the Company of a Special Resolution in the form of the Resolution set out in the Notice convening an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting and to all modifications or abrogations of the Special Rights attached to the 5 per cent. Cumulative Preference Shares to be effected by or involved in such Resolution.

58

N. I. LOWTHER,
*Secretary.*

1423 B., M. & CO., LTD. SL15716P.

1 MAR 1967

THE COMPANIES ACT, 1948

£00·25
COMPANIES REGISTRATION

*COMPANY LIMITED BY SHARES.*

# Special Resolution

OF

# John Crossley-Carpet Trades Holdings Limited

REGISTERED
1 MAR 1967

(*Passed 1st March*, 1967)

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held at Winchester House, 77, London Wall, London, E.C.2, on Wednesday, the 1st day of March, 1967, the following Resolution was proposed and passed as a SPECIAL RESOLUTION.

RESOLUTION

THAT the share capital of the Company be reduced from £7,000,000 divided into 1,250,000 5 per cent. Cumulative Preference Shares of £1 each and 11,500,000 Ordinary Shares of 10s. each to £5,750,000 divided into 11,500,000 Ordinary Shares of 10s. each by cancelling all the 1,250,000 5 per cent. Cumulative Preference Shares of £1 each on terms that there shall be allotted credited as fully paid to the holders of the 1,208,985 issued Preference Shares so cancelled and in substitution therefor an aggregate of £1,208,985 7¼ per cent. Unsecured Loan Stock 1992/97 (to be constituted in accordance with the Particulars set out in Appendix B to the Company's Circular Letter to its members dated 6th February, 1967) in proportion to their holdings of such shares on the day preceding the cancellation thereof and that subject to and upon such reduction of capital taking effect:—

(*a*) the share capital of the Company be increased to its present amount of £7,000,000 by the creation of 2,500,000 Ordinary Shares of 10s. each; and

(*b*) the Articles of Association of the Company be altered in manner following, namely:—

(1) ARTICLE 8.—By deleting this Article and substituting therefor the following new Article:—

"8. The share capital of the Company is £7,000,000 divided into 14,000,000 Ordinary Shares of 10s. each."

57

(2) ARTICLE 9.—By deleting this Article.

(3) ARTICLE 12.—By deleting from the last sentence of this Article the words "Subject as hereinbefore provided in regard to the 5 per cent. Cumulative Preference Shares, the" and substituting the word "The".

1 MAR 1967

(4) ARTICLE 13.—By deleting this Article.

(5) ARTICLE 30.—By deleting from this Article (relating to transfers of shares) the words "signed by both the transferor and the transferee" and substituting therefor the words "signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee".

(6) ARTICLES 32 and 35.—By deleting from Article 32 paragraph (*a*) (requiring the payment of a registration fee for transfers) and re-lettering paragraphs (*b*) and (*c*) of Article 32 as (*a*) and (*b*) respectively and by deleting Article 35 (requiring the payment of a registration fee registering probates and other documents relating to or affecting the title to shares).

(7) ARTICLE 52.—By substituting the words "by ordinary resolution" for the words "by extraordinary resolution" in this Article (relating to increases of capital).

(8) ARTICLE 72.—By deleting this Article and substituting therefor the following new Article:—

"72. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every 10s. in nominal amount of the shares of which he is the holder."

(9) ARTICLE 98.—By deleting this Article and substituting therefor the following new Article:—

"98. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiary companies, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to the aggregate of (i) the amount paid up on the issued share capital of the Company and (ii) the amounts standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and profit and loss account) all as shown by a consolidation of the then latest audited balance sheets of the Company and its subsidiaries but (*a*) adjusted in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet; (*b*) excluding any amounts set aside for taxation and any amounts attributable to outside shareholders in subsidiaries; (*c*) deducting any amounts attributable to goodwill and other intangible assets and the amount of any debit balance on the consolidated profit and loss account; and (*d*) deducting any amount distributed or proposed to be distributed but not provided for in such consolidation out of reserves or profits included therein.

(C) For the purposes of the said limit the following provisions shall apply:—

(i) the following shall (so far as not already otherwise taken into account) be taken into account as moneys borrowed:—

(*a*) the nominal or principal amount of any share capital, debentures or money borrowed (together in each case with any fixed or minimum

premium payable on final repayment) the beneficial interest whereof is not for the time being owned by and the repayment whereof is guaranteed by the Company or a subsidiary;

(*b*) the principal amount raised by the Company or by any subsidiary by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;

(*c*) the principal amount (together with any premium payable on final repayment) of any debentures of the Company or a subsidiary;

(*d*) the nominal amount of the issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by the Company or another subsidiary;

(ii) moneys borrowed by the Company or any subsidiary for the purpose of repaying the whole or any part of borrowed moneys (other than inter-company borrowings) for the time being outstanding (including any premium payable on repayment) and so applied within four months of being first borrowed shall not pending their application for such purpose be deemed to be borrowed moneys;

(iii) in the case of a subsidiary of which only part of the equity share capital is attributable to the Company, that proportion of any moneys borrowed by such subsidiary (other than from the Company or a wholly-owned subsidiary) which is equal to the proportion of the equity share capital thereof which falls to be regarded as attributable to minority shareholders shall be treated for all purposes as if the same were moneys borrowed from and owing to the Company or another subsidiary.

(D) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded."

(10) ARTICLE 146.—By deleting from this Article (relating to the circulation of copies of accounts) the words " and three copies of each of these documents shall at the same time be forwarded to the Secretary of the Share and Loan Department, The Stock Exchange, London " and substituting therefor the words " and whenever quotation of any Stock Exchange in the United Kingdom for all or any of the shares or debentures of the Company shall for the time being be in force there shall be forwarded to the appropriate offices of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice."

N. I. LOWTHER,

*Secretary.*

DUPLICATE FOR THE FILE.

No. 309779

# Certificate of Registration

OF

# ORDER OF COURT AND MINUTE

ON

# REDUCTION OF CAPITAL.

*(Pursuant to sec. 69 of the Companies Act, 1948.)*

JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

having by Special Resolution reduced its Capital, as confirmed by an Order of the High Court of Justice, Chancery Division, bearing date the Twentieth day of March One Thousand Nine Hundred and Sixty Seven.

**I Hereby Certify** that the said Order and a Minute showing the capital and shares of the Company as approved by the said Order were **Registered** pursuant to Section 69 of the Companies Act, 1948, on the Thirty-first day of March One Thousand Nine Hundred and Sixty Seven.

Given under my hand at London, this Third day of April One Thousand Nine Hundred and Sixty Seven.

Certificate received by Linklaters & Co.

Date 5th April 1967

ASSISTANT *Registrar of Companies.*

(B 229) 45001/4388 400 9/59 ATeS. 746.

No. 309779

*COMPANY LIMITED BY SHARES*

# Memorandum

AND

# Articles of Association

OF

CARPETS INTERNATIONAL

# HOLDINGS LIMITED

*New Articles of Association as adopted by Special Resolution passed 10th December, 1953 and reprinted in April, 1967 to include all amendments made thereto by Special Resolutions subsequently passed up to and including 31st March, 1967.*

*Incorporated the 27th day of January, 1936.*

The copy of the Memorandum and Articles of Association contained herein incorporates all amendments down to and including 30/11/73 and the amendments marked thereon have been validated by the initials of N.V. Grimshaw whose initials appear below.

BARRINGTON HOUSE,
59-67, GRESHAM STREET,
LONDON, E.C.2.

COMPANIES REGISTRATION
10 DEC 1973
AT OFFICE AT

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No. 309779

# Certificate of Incorporation

I Hereby Certify that JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED (originally called CARPET TRADES LIMITED which name was changed by Special Resolution and with the Authority of the Board of Trade on the Fourteenth day of December, One thousand nine hundred and fifty-three) was Incorporated under the Companies Act, 1929 as a LIMITED Company, on the Twenty-seventh day of January, One thousand nine hundred and thirty-six.

GIVEN under my hand at London, this Fourteenth day of December, One thousand nine hundred and fifty-three.

W. B. LANGFORD,
*Registrar of Companies.*

THE COMPANIES ACT. 1929

*COMPANY LIMITED BY SHARES*

# Memorandum of Association

OF

CARPETS INTERNATIONAL LIMITED

By Special Resolution passed 10th December, 1953 and with the approval of the Board of Trade the name of the Company was changed from Carpet Trades Limited to John Crossley-Carpet Trades Holdings Limited on 14th December, 1953.

1. The name of the Company is "CARPETS INTERNATIONAL LIMITED".

2. The registered office of the Company will be situate in England.

3. The objects for which the Company is formed are:—

(1) To purchase or otherwise acquire the goodwill of the business of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto heretofore carried on by C.X.T. Limited (formerly Carpet Trades Limited and now in voluntary liquidation) and all or any part or parts of the assets of the said Company and to take over and undertake all or any of the liabilities of the said business and Company upon such terms as shall be thought fit and for that purpose to enter into and carry into effect with or without modification an Agreement expressed to be made between C.X.T. Limited (now in voluntary liquidation) of the first part John Benjamin Hill the Liquidator of C.X.T. Limited of the second part and this Company of the third part and to carry on and develop the said business.

(2) To carry on all or any of the businesses of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto spinners doublers or twisters of cotton flax hemp jute wool and wool derivatives and other fibrous substances bleachers dyers makers and dealers in bleaching and dyeing materials; to buy sell sort comb card prepare weave felt or otherwise manufacture dye finish and otherwise deal with and deal in in the raw manufactured or semi-manufactured state wool and wool derivatives cotton flax hemp jute silk and other fibrous substances and other goods and fabrics of all kinds and to subscribe for acquire and hold share stocks or securities of companies whose objects include the carrying on of all or any such businesses as aforesaid.

(3) To carry on the business of mechanical engineers iron founders and manufacturers of machinery of all kinds tool makers brass founders metal workers boiler makers millwrights machinists iron and steel converters smiths woodworkers builders painters metallurgists electrical and water engineers gas makers and merchants and to buy sell manufacture repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the manufacturing or engineering business of the Company or any contract undertaken by the Company and either for the purpose only of such contract or of any independent business.

(4) To construct execute carry out improve work develop administer manage or control public or private works or conveniences of all kinds including railways tramways roads canals docks reservoirs embankments markets sewerage or drainage water gas electric light hydraulic irrigation and other works and to lay out land for building and to construct and maintain roads or streets and to erect work or operate or advance money for the purpose of erecting working or operating dwellinghouses warehouses hotels shops stores factories mills and every other description of buildings.

(5) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company.

(6) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business similar analogous or subsidiary to any of the objects of the Company.

(7) To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any branch or business so carried on or for financing any such subsidiary company or a company which is directly or indirectly controlled by this Company or in which this Company holds a substantial interest or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business and to act as directors or managers of or to appoint directors or managers of any such subsidiary company or of any other company in which this Company is interested.

(8) To purchase lease or otherwise acquire and build upon any land and to alter enlarge rebuild or otherwise improve any buildings or other property from time to time belonging to the Company or in which the Company may be interested.

(9) To buy or otherwise acquire underwrite issue hold place sell lend money on the security of or otherwise deal with stocks shares bonds debentures and securities of all kinds and to give any guaranty or security in relation thereto or otherwise in connection with any stocks shares bonds debentures or securities.

(10) To purchase or by any other means acquire and protect prolong and renew in the United Kingdom or in any part of the world any patents patent rights brevets d'invention licences protections and concessions which may appear likely to be advantageous or useful to the

Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend money in experimenting upon and testing and in improving or seeking to improve any patents inventions or rights which the Company may acquire or propose to acquire.

(11) To pay for any property acquired by the Company in shares stock profit-sharing certificates bonds debentures debenture stock or obligations of the Company whether fully or partly paid.

(12) To borrow raise or secure the repayment of money by debentures debenture stock bonds or other obligations and securities of the Company which may be secured upon all or any part of the property of the Company (both present and future) including its uncalled capital or by receiving moneys on loan or deposit at interest or otherwise or in such manner and on such terms as may seem expedient.

(13) To guarantee or become liable for the payment of money or for the performance of any obligations also to transact all kinds of agency business.

(14) To grant pensions allowances gratuities and bonuses to persons who are or have at any time been employed by or trading with the Company or any predecessor of the Company in business or to the wives widows families relatives or dependants of any such persons and to support and subscribe to any schools and any educational scientific literary religious or charitable institution or trade societies whether such societies be solely connected with the trade carried on by the Company or not and any club or other establishment calculated to advance the interests of the Company or of any such persons as aforesaid.

(15) To make accept endorse discount issue and execute promissory notes bills of exchange and other negotiable instruments.

(16) To invest lend or deal with the moneys of the Company not immediately required upon such securities or investments (not being shares of the Company) or in such manner as may from time to time be determined.

(17) To enter into partnership or any joint purse arrangement or any arrangement for sharing profits union of interests or co-operation with any company firm or person carrying on or proposing to carry on any business within the objects of this Company and to acquire and hold shares stock or securities of any such company and to lend money to guarantee the contract of or otherwise assist any such company firm or person.

(18) To establish or promote subsidise and assist or concur in establishing or promoting subsidising and assisting any other companies syndicates and partnerships British or foreign whose objects shall include the acquisition and taking over of all or any of the assets rights and liabilities of or shall be considered in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire hold and deal in and with the shares stock or securities of and guarantee the payment of any securities issued by or any other obligation of any such company or the payment of dividends on the shares or stocks of any such company.

(19) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) or any corporations companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government authority corporation company or person any charters contracts decrees rights privileges and concessions which the Company may think desirable and to carry out exercise and comply with any such charters contracts decrees rights privileges and concessions.

(20) To promote any bills in Parliament for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in its constitution or furthering the interests of its Members and to support or oppose any bills in Parliament promoted by others.

(21) To amalgamate with any other company whose objects are or include objects similar to any of those of this Company whether by sale or purchase (for shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any

such other company as aforesaid or by partnership or any arrangement of the nature of partnership or in any other manner.

(22) To sell exchange let on rent royalty tribute share of profits or otherwise grant licences easements and other rights of and over and in any other manner deal with turn to account or dispose of the undertaking and all or any of the property assets rights and effects for the time being of the Company for such consideration as may be thought fit and in particular wholly or partly for shares stocks debentures or securities or obligations of any other company or of any authority (supreme municipal local or otherwise).

(23) To distribute among the Members or any class of Members *in specie* any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(24) To pay all or any part of the expenses of and incident to the formation and establishment of this Company and to remunerate any parties for sevices rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures debenture stock or other securities of the Company or in about the conduct of the Company's business.

(25) To do all or any of the above things in any part of the world and either as principals or agents and either through agents trustees or otherwise and either alone or in conjunction with others.

(26) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

Provided that nothing herein contained shall empower the Company to carry on the business of assurance or to grant annuities within the meaning of the Assurance Companies Act, 1909, as extended by the Industrial Assurance Act, 1923, or the Road Traffic Acts, 1930 to 1934, or to re-insure any risks under any class of assurance business to which those Acts apply.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere and that the objects specified in the different paragraphs of this clause shall except where otherwise expressed in such paragraphs be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

4. The liability of the Members is limited.

5. The share capital of the Company is £10,250,000 divided into 20,500,000 Shares of 50p each.

WE the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS | Number of Shares taken by each Subscriber |
|---|---|
| WILLIAM LAURIE WILSON,<br>Bellmans, Mounthill Avenue,<br>Chelmsford,<br>Essex.<br>*Statistician.* | One Ordinary |
| SIDNEY GEORGE TIERNEY,<br>18, Brunswick Place,<br>Hove,<br>Sussex.<br>*Accountant.* | One Ordinary |
| ALFRED ERNEST McNEALL,<br>Cranleigh, Brancaster Lane,<br>Purley,<br>Surrey.<br>*Clerk.* | One Ordinary |
| PETER WILLIAMSON,<br>19, Westmont Road,<br>Esher,<br>Surrey.<br>*Clerk.* | One Ordinary |
| ANDREW HARROWER PEARSON,<br>4, Westhall Road,<br>Kew Gardens, Richmond,<br>Surrey.<br>*Clerk.* | One Ordinary |
| HERBERT SYDNEY CUMING,<br>11, Hill View Gardens,<br>Hendon,<br>N.W.4.<br>*Bank Official.* | One Ordinary |

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS | Number of Shares taken by Subscriber |
|---|---|
| VALENTINE THOMAS BARKER,<br>99, Falmouth Avenue,<br>Highams Park,<br>London, E.4.<br>*Bank Cashier.* | One Ordinary |

DATED the 21st day of January, 1936.

WITNESS to the above Signatures:—

P. M. HARVEY,
Fairlight, Castle Lane,
Hadleigh,
Essex.
*Clerk.*

No. 309779

# CARPET TRADES LIMITED

## Special Resolutions

*Passed 10th December, 1953*

At an EXTRAORDINARY GENERAL MEETING of CARPET TRADES LIMITED, duly convened, and held on the 10th day of December, 1953, the following Resolutions were duly passed as SPECIAL RESOLUTIONS:—

### RESOLUTIONS

1. THAT the name of the Company be changed to "JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED".

2. THAT is it desirable to transfer to a subsidiary company incorporated for the purpose the undertaking and assets of the Company (other than such part of the cash resources as the Directors may determine) subject to the liabilities of the Company and that the two Agreements in relation thereto produced to this meeting and signed for identification by Slaughter and May be and are hereby approved, and that the Directors be and they are hereby authorised and directed to enter into the said Agreements (with or without modification) in due order and carry the same into effect.

3. THAT with a view to the acquisition of the whole of the issued Preference and Ordinary Stock in the capital of John Crossley & Sons, Limited, the Share Capital of the Company be increased to £2,500,000 by the creation of 750,000 5 per cent. Cumulative Preference Shares of £1 each and 1,500,000 Ordinary Shares of 10s. each.

4. THAT the regulations contained in the printed document submitted to the meeting and for the purpose of identification subscribed by the Chairman thereof be and they are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles thereof.

J. B. HILL,
*Secretary.*

No. 309779

# CARPET TRADES LIMITED

## Extraordinary Resolution

OF

### PREFERENCE SHAREHOLDERS

*Passed 10th December, 1953*

At a SEPARATE CLASS MEETING of the holders of the 5 per cent. Cumulative Preference Shares of CARPET TRADES LIMITED, duly convened, and held on the 10th day of December, 1953, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

RESOLUTION

THAT this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in Carpet Trades Limited convened pursuant to Article 8 of the Articles of Association of the Company hereby consents (i) to the issue by the Company of not exceeding 593,985 5 per cent. Cumulative Preference Shares in exchange for 5 per cent. Cumulative Preference Stock of John Crossley & Sons, Limited, on a par for par basis in accordance with the terms of the Offer made by the Company to the holders of the 5 per cent. Cumulative Preference Stock and Ordinary Stock of John Crossley & Sons, Limited, dated the 11th November, 1953, notwithstanding that thereby the total amount of the issued 5 per cent. Cumulative Preference Shares may exceed 50 per cent. of the total issued share capital of the Company, and (ii) to any and all modifications of the rights attached to the said Preference Shares which may arise in consequence of the adoption of new Articles of Association in the form this day submitted to and approved by an Extraordinary General Meeting of the Company.

J. B. HILL,

*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 16th November, 1954*

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 16th November, 1954, the following Resolutions were duly passed, the third as a SPECIAL RESOLUTION:—

## RESOLUTIONS

1. THAT the capital of the Company be increased to £3,500,000 by the creation of 2,000,000 Ordinary Shares of 10s. each.

2. THAT it is desirable to capitalise the sum of £883,390 being as to £784,667 10s. 0d. the amount standing to the credit of Share Premium Account and as to £98,722 10s. 0d. part of the amount standing to the credit of the Capital Reserve and, accordingly, that such sum be set free for distribution among the Members holding Ordinary Shares registered at the close of business on 5th November, 1954, in proportion to the amounts paid up on the issued Ordinary Shares held by them respectively, on the footing that the same be not paid in cash but be applied in paying up in full 1,766,780 unissued Ordinary Shares of 10s. each in the Company and that such Ordinary Shares be allotted and distributed credited as fully paid up among such Members in the proportion of one new Ordinary Share for each Ordinary Share held at the close of business on 5th November, 1954.

3. THAT Article 72 of the Articles of Association of the Company be altered in manner following:—

(*a*) by deleting the second sentence thereof and substituting the following therefor:—

"On a poll every Member who is present in person or by proxy shall have one vote for every Ordinary Share and two votes for every Preference Share of which he is the holder."

(*b*) by deleting the word "two" at the end of line five thereof and substituting the word "four" therefor.

For and behalf of
JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED,
T. V. LAYCOCK,
*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

PREFERENCE SHAREHOLDERS

IN

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 16th November, 1954*

At a Separate Meeting of the holders of the Preference Shares in JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on the 16th November, 1954 the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

## RESOLUTION

THAT this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in John Crossley-Carpet Trades Holdings Limited hereby consents to any and all modification of the rights attached to the said Preference Shares to be effected by or involved in the alterations to Article 72 of the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting.

For and behalf of
JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED.
T. V. LAYCOCK,
*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 18th August,* 1959

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 18th August, 1959, the following Resolutions were duly passed, the third as a SPECIAL RESOLUTION:—

## RESOLUTIONS

1. THAT the capital of the Company be increased to £5,000,000 by the creation of 3,000,000 Ordinary Shares of 10s. each.

2. THAT it is desirable to capitalise the sum of £1,766,780 being as to £23,647 the whole of the amount standing to the credit of Capital Reserve, as to £1,500,000 the whole of the amount standing to the credit of General Reserve and as to £243,133 part of the amount standing to the credit of Profit and Loss Account and, accordingly, that such sum be set free for distribution among the Members holding Ordinary Shares registered at the close of business on 25th July, 1959, in proportion to the amounts paid up on the Issued Ordinary Shares held by them respectively, on the footing that the same be not paid in cash but be applied in paying up in full 3,533,560 unissued Ordinary Shares of 10s. each in the Company and that such Ordinary Shares be allotted and distributed credited as fully

paid up among such Members in the proportion of one new Ordinary Share for each Ordinary Share held at the close of business on 25th July, 1959.

3. THAT the Articles of Association of the Company be altered by the deletion of Article 72 thereof and the substitution therefor of the following Article:—

"72. On a show of hands every Member who is present in person shall have one vote. On a poll every person who is present in person or by proxy shall have one vote for every Ordinary Share and four votes for every Preference Share of which he is the holder. Provided that the Preference Shares shall on a poll entitle the holders to eight votes for every Preference Share held on a resolution for winding up the Company or for any reduction of capital involving any repayment of capital on the Preference Shares or on any resolution directly and adversely affecting the special rights or privileges attached to the Preference Shares proposed at any General Meeting and also on every resolution proposed at any General Meeting held whilst the dividend on the Preference Shares is in arrear and so for this purpose the dividend on the Preference Shares shall be deemed to be payable half-yearly on the 30th June and the 31st December in every year."

T. V. LAYCOCK,

*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

PREFERENCE SHAREHOLDERS

IN

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 18th August, 1959*

At a SEPARATE MEETING of the Holders of the Preference Shares in JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 18th August, 1959, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

## RESOLUTION

THAT this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in John Crossley-Carpet Trades Holdings Limited hereby consents to any and all modifications of the rights attached to the said Preference Shares to be effected by or involved in the alterations to the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting.

T. V. LAYCOCK,

*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 28th April,* 1966

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 28th April, 1966, the following Resolutions were duly passed, the first as an EXTRAORDINARY RESOLUTION and the third as a SPECIAL RESOLUTION:—

## RESOLUTIONS

1. THAT the capital of the Company be increased from £5,000,000 to £7,000,000 by the creation of 4,000,000 Ordinary Shares of 10s. each ranking *pari passu* in all respects with the existing Ordinary Shares of 10s. each in the capital of the Company.

2. THAT it is desirable to capitalise the sum of £1,821,127 10s. 0d. (being as to £137,122 13s. 9d. the balance standing to the credit of Share Premium Account and as to the remaining £1,684,004 16s. 3d. part of the balance standing to the credit of General Reserve) and accordingly that such sum be capitalised and that the Directors be and they are hereby authorised to appropriate as capital to and amongst the Members registered at the close of business on the 31st day of March, 1966, as the holders of the issued Ordinary Shares of 10s. each in the capital of the Company in proportion to the number of such Shares held by them respectively and to apply such sum on their behalf in paying up in full at par 3,642,255 of the unissued Ordinary Shares of 10s. each in the capital of the Company and that such 3,642,255 Ordinary Shares be allotted

and distributed credited as fully paid up to and amongst such Members in the proportion of one such Ordinary Share for every two Ordinary Shares held by such Members at the close of business on the 31st day of March, 1966 and so that such new Shares shall not rank for any dividends declared in respect of the period ended the 4th day of December, 1965, but shall rank *pari passu* with the existing Ordinary Shares for all dividends hereafter declared on the Ordinary capital of the Company, and that any such new Ordinary Shares representing fractional entitlements shall be allotted to trustees and sold on the market, and the net proceeds of sale distributed *pro rata* amongst the Members otherwise entitled to a fraction of a share.

3. THAT the Articles of Association of the Company be altered in manner following that is to say:—

(*a*) by deleting Article 72 and by substituting therefor the following new Article, namely:—

"72. On a show of hands every Member who is present in person shall have one vote. On a poll every person who is present in person or by proxy shall have one vote for every Ordinary Share and five votes for every Preference Share of which he is the holder, Provided that the Preference Shares shall on a poll entitle the holders to nine votes for every Preference Share held on a resolution for winding up the Company or for any reduction of capital involving any repayment of capital on the Preference Shares or on any resolution directly and adversely affecting the special rights and privileges attached to the Preference Shares proposed at any General Meeting and also on every resolution proposed at any General Meeting held whilst the dividend on the Preference Shares is in arrear and so that for this purpose the dividend on the Preference Shares shall be deemed to be payable half-yearly on the 30th day of June and the 31st day of December in every year."

(*b*) by deleting Article 108 and by substituting therefor the following new Article, namely:—

"108. The Board shall provide for the safe custody of the Seal, which shall not be affixed to any instrument except in the presence of at least two Directors or at least one Director and the Secretary and such Directors or Director and Secretary shall sign every instrument to which the Seal is so affixed in their presence. Provided that every certificate for shares, debentures or debenture stock shall be issued under the Seal but such certificates need not be signed or countersigned by any person."

N. I. LOWTHER,
*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

PREFERENCE SHAREHOLDERS

IN

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 28th April,* 1966

At a SEPARATE MEETING of the Holders of the Preference Shares in JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 28th April, 1966, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

## RESOLUTION

THAT this Meeting of the Holders of the 5 per cent. Cumulative Preference Shares of £1 each in John Crossley-Carpet Trades Holdings Limited hereby consents to any and all modifications of the rights attached to the said Preference Shares to be effected by or involved in the alterations to the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of that Company which accompanied the Notice convening this Meeting.

N. I. LOWTHER,

*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Special Resolution

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 1st March, 1967*

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held at Winchester House, 77, London Wall, London, E.C.2, on Wednesday, the 1st day of March, 1967, the following Resolution was proposed and passed as a SPECIAL RESOLUTION.

RESOLUTION

THAT the share capital of the Company be reduced from £7,000,000 divided into 1,250,000 5 per cent. Cumulative Preference Shares of £1 each and 11,500,000 Ordinary Shares of 10s. each to £5,750,000 divided into 11,500,000 Ordinary Shares of 10s. each by cancelling all the 1,250,000 5 per cent. Cumulative Preference Shares of £1 each on terms that there shall be allotted credited as fully paid to the holders of the 1,208,985 issued Preference Shares so cancelled and in substitution therefor an aggregate of £1,208,985 7¼ per cent. Unsecured Loan Stock 1992/97 (to be constituted in accordance with the Particulars set out in Appendix B to the Company's Circular Letter to its members dated 6th February, 1967) in proportion to their holdings of such shares on the day preceding the cancellation thereof and that subject to and upon such reduction of capital taking effect: —

(*a*) the share capital of the Company be increased to its present amount of £7,000,000 by the creation of 2,500,000 Ordinary Shares of 10s. each; and

(*b*) the Articles of Association of the Company be altered in manner following, namely: —

(1) ARTICLE 8.—By deleting this Article and substituting therefor the following new Article: —

"8. The share capital of the Company is £7,000,000 divided into 14,000,000 Ordinary Shares of 10s. each."

(2) ARTICLE 9.—By deleting this Article.

(3) ARTICLE 12.—By deleting from the last sentence of this Article the words "Subject as hereinbefore provided in regard to the 5 per cent. Cumulative Preference Shares, the" and substituting the word "The".

(4) ARTICLE 13.—By deleting this Article.

(5) ARTICLE 30.—By deleting from this Article (relating to transfers of shares) the words "signed by both the transferor and the transferee" and substituting therefor the words "signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee".

(6) ARTICLES 32 and 35.—By deleting from Article 32 paragraph (*a*) (requiring the payment of a registration fee for transfers) and re-lettering paragraphs (*b*) and (*c*) of Article 32 as (*a*) and (*b*) respectively and by deleting Article 35 (requiring the payment of a registration fee registering probates and other documents relating to or affecting the title to shares).

(7) ARTICLE 52.—By substituting the words "by ordinary resolution" for the words "by extraordinary resolution" in this Article (relating to increases of capital).

(8) ARTICLE 72.—By deleting this Article and substituting therefor the following new Article:—

"72. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every 10s. in nominal amount of the shares of which he is the holder."

(9) ARTICLE 98.—By deleting this Article and substituting therefor the following new Article:—

"98. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiary companies, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to the aggregate of (i) the amount paid up on the issued share capital of the Company and (ii) the amounts standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and profit and loss account) all as shown by a consolidation of the then latest audited balance sheets of the Company and its subsidiaries but (*a*) adjusted in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet; (*b*) excluding any amounts set aside for taxation and any amounts attributable to outside shareholders in subsidiaries; (*c*) deducting any amounts attributable to goodwill and other intangible assets and the amount of any debit balance on the consolidated profit and loss account; and (*d*) deducting any amount distributed or proposed to be distributed

but not provided for in such consolidation out of reserves or profits included therein.

(c) For the purposes of the said limit the following provisions shall apply:—

(i) the following shall (so far as not already otherwise taken into account) be taken into account as moneys borrowed:—

(*a*) the nominal or principal amount of any share capital, debentures or money borrowed (together in each case with any fixed or minimum premium payable on final repayment) the beneficial interest whereof is not for the time being owned by and the repayment whereof is guaranteed by the Company or a subsidiary;

(*b*) the principal amount raised by the Company or by any subsidiary by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;

(*c*) the principal amount (together with any premium payable on final repayment) of any debentures of the Company or a subsidiary;

(*d*) the nominal amount of the issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by the Company or another subsidiary;

(ii) moneys borrowed by the Company or any subsidiary for the purpose of repaying the whole or any part of borrowed moneys (other than inter-company borrowings) for the time being outstanding (including any premium payable on repayment) and so applied within four months of being first borrowed shall not pending their application for such purpose be deemed to be borrowed moneys;

(iii) in the case of a subsidiary of which only part of the equity share capital is attributable to the Company, that proportion of any moneys borrowed by such subsidiary (other than from the Company or a wholly-owned subsidiary) which is equal to the proportion of the equity share capital thereof which falls to be regarded as attributable to minority shareholders shall be treated for all purposes as if the same were moneys borrowed from and owing to the Company or another subsidiary.

(D) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded."

(10) ARTICLE 146.—By deleting from this Article (relating to the circulation of copies of accounts) the words "and three copies of each of these documents shall at the same time be forwarded to the Secretary of the Share and Loan Department, The Stock Exchange, London" and substituting therefor the words "and whenever quotation of any Stock Exchange in the United Kingdom for all or any of the shares or debentures of the Company shall for the time being be in force there shall be forwarded to the appropriate offices of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice."

N. I. LOWTHER,
*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

**Holders of 5 per cent. Cumulative Preference Shares**

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 1st March, 1967*

At a SEPARATE GENERAL MEETING of the holders of the 5 per cent. Cumulative Preference Shares of the above-named Company duly convened and held at Winchester House, 77, London Wall, London, E.C.2, on Wednesday, the 1st day of March, 1967, the following Resolution was proposed and passed as an EXTRAORDINARY RESOLUTION of such holders.

## RESOLUTION

THAT consent be and is hereby given to the passing by the Company of a Special Resolution in the form of the Resolution set out in the Notice convening an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting and to all modifications or abrogations of the Special Rights attached to the 5 per cent. Cumulative Preference Shares to be effected by or involved in such Resolution.

N. I. LOWTHER,
*Secretary.*

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION

No. 00437 of 1967

*re* JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

AND

*re* THE COMPANIES ACT, 1948.

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# MINUTE

*approved by the Court by Order dated the 20th March, 1967.*

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The capital of John Crossley-Carpet Trades Holdings Limited was by virtue of a Special Resolution and with the sanction of an Order of the High Court of Justice dated the 20th March, 1967 reduced from £7,000,000 divided into 1,250,000 Preference Shares of £1 each and 11,500,000 Ordinary Shares of 10s. each to £5,750,000 divided into 11,500,000 Ordinary Shares of 10s. each. At the date of the registration of this Minute 10,926,766 of the said Shares have been issued and are deemed to be fully paid up and the remaining 573,234 such Shares are unissued. The said Special Resolution contains a provision to take effect upon the said reduction of capital taking effect increasing the capital of the Company to its former amount of £7,000,000 by the creation of 2,500,000 Ordinary Shares of 10s. each.

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The above Minute, together with an Office Copy of the Order referred to therein, was delivered to the Registrar of Companies for registration on 31st March, 1967.

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Articles of Association

OF

CARPETS INTERNATIONAL LIMITED

*(As adopted by Special Resolution passed 10th December, 1953 and reprinted in April, 1967, to include all amendments made thereto by Special Resolutions passed up to and including 31st March, 1967.)*

## TABLE A

1. Neither the regulations in Table A in the First Schedule to the Companies Act, 1929, nor the regulations in Table A in the First Schedule to the Companies Act, 1948 shall apply to the Company. Table A not to apply.

## INTERPRETATION

2. In these presents if not inconsistent with the subject or context:— Interpretation.

The words standing in the first column of the following Table shall bear the meanings set opposite to them respectively in the second column thereof.

| WORDS | MEANINGS |
|---|---|
| The Act .. .. | The Companies Act, 1948. |
| These presents .. | These Articles of Association as now framed or as from time to time altered by special resolution. |
| The Office.. .. | The Registered Office of the Company. |
| The Seal .. .. | The Common Seal of the Company. |
| The United Kingdom | Great Britain and Northern Ireland. |

| WORDS | MEANINGS |
|---|---|
| The Board .. | The Board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present. |
| The Register .. | The Register of Members of the Company. |
| In writing .. .. | Written or produced by any substitute for writing, or partly written and partly so produced. |
| Paid up .. .. | Paid up or credited as paid up. |

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;

Words importing persons shall include corporations;

The expressions "debenture" and "debenture holder" shall include "debenture stock" and "debenture stockholder";

The expression "the Secretary" shall include a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary;

The expression "dividend" shall include "bonus";

Reference to any provision of the Act shall be construed as a reference to such provision as modified by any Statute for the time being in force.

3. Subject to the last preceding Article, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

## BUSINESS

Agreement on formation.

4. The Company was formed on the basis of the Agreement referred to in paragraph 3 (1) of the Company's Memorandum of Association and no objection to the validity of that Agreement shall be raised on the ground that the Vendors stood in a fiduciary relation to the Company or that any of the Directors of the Company accepted office at their request and that the Board was not therefore

an independent Board and the vendors shall be entitled to retain any consideration or benefit under the said Agreement and shall not be accountable for the same or any part thereof and no claim in respect thereof shall be made by the Company or any of its Members or the Liquidator thereof against the vendors on the ground that they stood in any such fiduciary relation as aforesaid or otherwise.

What business may be undertaken by the Board.

5. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall think fit, and further may be suffered by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with the same.

Registered Office

6. The Office shall be at such place in England as the Board shall from time to time appoint.

Company funds may not be used to subscribe shares in Company.

7. No part of the funds of the Company shall be employed in the subscription or purchase of or in loans upon the security of the Company's shares or those of its holding company (if any) and the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with any purchase or subscription by any person of shares in the Company or in its holding company (if any) nor make, or guarantee or provide any security in connection with, a loan to any Director of the Company or of its holding company (if any); but nothing in this Article shall prohibit transactions authorised by sections 54 or 190 of the Act.

Loan to Director.

## SHARE CAPITAL

Capital. As inserted by Special Resolution passed 1st March, 1967.

8. The share capital of the Company is £10,250,000 divided into 20,500,000 Shares of 50p each.

Article 9 deleted by Special Resolution passed 1st March, 1967.

Issue of shares.

10. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by resolution determine.

Redeemable preference shares.

11. Subject to the provisions of section 58 of the Act, any preference shares may, with the sanction of a special resolution, be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may by special resolution determine.

## MODIFICATION OF RIGHTS

How special class rights may be modified. As amended by Special Resolution passed 1st March, 1967.

12. Subject to the provisions of Section 72 of the Act whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate meeting of such holders (but not otherwise) be modified or abrogated and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate meeting all the provisions of these presents relating to General Meetings or to the proceedings thereat shall *mutatis mutandis* apply except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present in person or by proxy shall be a quorum) and that the holders of shares of the class shall on a poll have one vote in respect of every share of the class held by them respectively. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

Article 13 deleted by Special Resolution passed 1st March, 1967.

## SHARES

Power of Board to dispose of unissued shares.

14. Subject to the provisions of these presents, the unissued shares of the Company whether forming part of the original or any increased capital shall be at the disposal of the Board, which may allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine, but so that no shares shall be issued at a discount except in accordance with section 57 of the Act.

Powers to pay commission and brokerage.

15. The Company may exercise the powers of paying commissions conferred by section 53 of the Act, provided that the rate or amount of the commission paid or agreed to be paid and the number

of shares which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by the said section, and that such commission shall not exceed 10 per cent. of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent. of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

Exclusion of equities.

16. Except as ordered by a Court of competent jurisdiction or as by law required, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these presents or by law otherwise provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

Issue of share certificates.

17. Every person whose name is entered as a Member in the Register shall be entitled, without payment, to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares of any one class, or several certificates each for one or more of his shares of such class upon payment of such sum, not exceeding one shilling, for every certificate after the first as the Board shall from time to time determine. Provided always that when a Member has sold part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.

Replacement of share certificates.

18. If a share certificate be defaced, lost or destroyed it may be replaced on payment of such fee (if any) not exceeding one shilling and on such terms (if any) as to evidence and indemnity and payment of the out-of-pocket expenses of the Company of investigating such evidence as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

## LIEN

Company's lien on partly paid up shares.

19. The Company shall have a lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share, and

the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company, and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such Member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends payable thereon. But the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

Sale of shares subject to lien.

20. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the holder for the time being of the share or to the person entitled by reason of his death or bankruptcy to the share.

Application of proceeds of sale.

21. The net proceeds of sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares and he 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.

## CALLS ON SHARES

Calls.

22. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal amount of the shares or be payable at less than one month from the date fixed for payment of the last previous call, and each Member shall (subject to the Company giving to him at least fourteen

days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.

Call may be payable by instalments.

23. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

Liability of joint holders for calls.

24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Interest on unpaid calls.

25. If a sum called in respect of a share be not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 10 per cent. per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

Sums due by terms of issue deemed to be calls.

26. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Power to differentiate.

27. The Board may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

Payment of calls in advance.

28. The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company in general meeting shall otherwise direct) 10 per cent. per annum as may be agreed upon between the Board and the Member paying such sum in advance.

## TRANSFER OF SHARES

Form of transfer.

29. Subject to such of the restrictions of these presents as may be applicable, any Member may transfer all or any of his shares by transfer in writing in the usual common form or in any other form which the Board may approve.

Completion and effect of transfer. As amended by Special Resolution passed 1st March, 1967.

30. The instrument of transfer of a share shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of 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 in respect thereof. All instruments of transfer, when registered, shall be retained by the Company.

Power to decline registration of transfer.

31. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of shares (other than fully paid shares) to a person of whom it shall not approve. The Board may also decline to register any transfer of shares on which the Company has a lien.

Transfer fee and lodgment of transfer. As amended by Special Resolution passed 1st March, 1967.

32. The Board may also decline to recognise any instrument of transfer unless:—

(*a*) The instrument of transfer is lodged at the Office or such other place as the Board may appoint, accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(*b*) The instrument of transfer is in respect of only one class of share.

Notice of refusal to register.

33. If the Board refuses to register a transfer it shall, within two months after the date on which the transfer was lodged, send to the transferee notice of the refusal.

Closing of register.

34. The register of transfers may be closed at such times and for such period as the Board may from time to time determine provided always that it shall not be closed for more than thirty days in any year.

Article 35 deleted by Special Resolution passed 1st March, 1967.

## TRANSMISSION OF SHARES

Transmission on death.

36. In case of the death of a Member the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole holder, shall be the only persons 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 with other persons.

Registration of personal representatives, etc.

37. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.

Notice of election to be registered.

38. If the person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company a notice in writing signed by him, stating that he so elects. If he shall elect to have his nominee registered he shall testify his election by executing to his nominee a transfer of such share. All the limitations restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

Rights of unregistered personal representatives, etc.

39. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member 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 the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof.

## FORFEITURE OF SHARES

Notice requiring payment of calls.

40. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any expenses which may have been incurred.

Date and place for payment.

41. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which and the place where the payment required by the notice 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 or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references herein to forfeiture shall include surrender.

Forfeiture.

42. If the requirements of any such notice as aforesaid be not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice of forfeiture.

43. When any share has been forfeited, notice of the forfeiture shall forthwith be given to the person who was, before forfeiture, the holder of the share or the person who was, before forfeiture, entitled to the share by reason of the death or bankruptcy of the holder (as the case may be); but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.

Disposal of forfeited shares.

44. A forfeited share shall be deemed to be the property of the Company and 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 Board shall think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board may think fit.

Liability of Member whose shares have been forfeited.

45. A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine, not exceeding ten per cent. per annum, from the date of forfeiture until payment.

Title to forfeited shares.

46. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the same is sold or disposed of, and he shall thereupon be registered as the holder of the share 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 irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

## STOCK

Power to convert paid up shares into stock.

47. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may reconvert any stock into paid up shares of any denomination.

Transfer of stock.

48. Subject to the provisions of the next following Article the holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit.

Minimum amount transferable.

49. The Board may in relation to any class of stock, from time to time fix the minimum amount of such stock transferable and restrict or forbid the transfer of fractions of such minimum, but the minimum shall not exceed the nominal amount of the share from which the stock arose.

Rights of stockholders.

50. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and in assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage.

Interpretation.

51. All such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" herein shall include "stock" and "stockholder".

## INCREASE OF CAPITAL

Power to increase. As amended by Special Resolution passed 1st March, 1967.

52. The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

Issue of new shares.

53. The Company may, by the resolution increasing the capital direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of section 57 of the Act) at a discount to all the ordinary shareholders for the time being in proportion to the number of ordinary shares held by them respectively or may make any other provisions as to the issue of the new shares. In default of any such direction

or so far as the same shall not extend, the new shares shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons and on such terms as it shall think fit.

Rights of new shares.

54. The new shares shall be subject to all the provisions of these presents with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise and, unless otherwise provided in accordance with these presents, shall be issued as Ordinary Shares.

## ALTERATIONS OF CAPITAL

55. The Company may from time to time by ordinary resolution:—

Power to consolidate shares.

(*a*) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

Power to sub-divide shares.

(*b*) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of section 61 (1) (*d*) of the Act), and so that the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over, or may have such qualified or deferred rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new shares.

Power to cancel shares.

(*c*) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

And may also by special resolution:—

Power to reduce capital.

(*d*) Reduce its share capital and any capital redemption reserve fund or any share premium account in any manner and with and subject to any incident authorised and consent required by law.

## GENERAL MEETINGS

Annual general meetings.

56. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

Extraordinary general meetings.

57. All general meetings other than annual general meetings shall be called extraordinary general meetings.

Convention of extraordinary general meetings.

58. The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general 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. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

## NOTICE OF GENERAL MEETINGS

Notice of general meetings.

59. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner hereinafter mentioned to such persons as are, in accordance with the provisions of these presents, entitled to receive such notices from the Company, and also to the Auditors of the Company for the time being.

Short notice.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:—

(*a*) In the case of a meeting called as the annual general meeting by all the Members entitled to attend and vote thereat; and

(*b*) In the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

In every notice calling a meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member.

Omission and non-receipt of notice.

60. The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

Special business.

61. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of the declaration and sanctioning of dividends, the consideration of the accounts and balance sheet and the reports of the Directors and Auditors, the election of Directors and Auditors and other officers in place of those retiring, the fixing of the remuneration of the Auditors and the voting of remuneration to the Directors.

Ordinary business.

Quorum.

62. No business shall be transacted at any general meeting unless a quorum be present when the meeting proceeds to business. Save as otherwise provided by these presents, two Members present in person and entitled to vote shall be a quorum for all purposes. A Corporation being a Member shall be deemed for the purpose of this Article to be personally present if represented in accordance with the provisions of section 139 of the Act.

Adjournment if no quorum.

63. If within half an hour from the time appointed for the meeting a quorum be 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, or to such other day and at such other time or place as the Chairman may determine, and the provisions of Article 65 shall apply. If at such adjourned meeting a quorum as above defined be not present within fifteen minutes from the time appointed for holding the meeting the meeting shall be dissolved.

Chairman.

64. The Chairman (if any) of the Board or, in his absence, the deputy-Chairman (if any) shall preside as Chairman at every general meeting of the Company. If there be no such Chairman or deputy-Chairman, or if at any meeting neither the Chairman nor the deputy-Chairman be present within fifteen minutes after the time appointed for holding the meeting, or if neither of them be willing to act as Chairman, the Directors present shall choose one of their number to act, or if one Director only be present he shall preside as Chairman if willing to act. If no Director be present, or if all the Directors present decline to take the chair, the Members present shall choose by show of hands one of their number to be Chairman.

Adjournments.

65. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting on resolution.

Demand for poll.

66. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll be demanded by the Chairman or by at least three Members present in person or by proxy and entitled to vote or by any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting or holding shares conferring a right to vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right. Unless a poll be so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost, and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such a resolution.

Votes counted in error.

67. If any votes shall be counted which ought not to have been counted or might have been rejected the error shall not vitiate the resolution unless it be pointed out at the same meeting and not

in that case unless it shall, in the opinion of the Chairman of the meeting, be of sufficient magnitude to vitiate the resolution.

Result of poll.

68. If a poll be duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Casting vote.

69. In case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the Chairman of such meeting shall be entitled to a second or casting vote.

Time for taking poll.

70. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place and in such manner as the Chairman directs not being more than two weeks from the date of the meeting.

Continuance of other business after demand for poll.

71. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn at any time before the next business is proceeded with.

## VOTES OF MEMBERS

Voting rights of Members. As inserted by Special Resolution passed 1st March, 1967.

72. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every 10s. in nominal amount of the shares of which he is the holder.

Joint holders.

73. In the case of joint holders of a share 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 joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register.

Corporations.

74. In accordance with section 139 of the Act a corporation being a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.

Incapacity.

75. A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction for the protection of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, *curator bonis* or other person in the nature of a committee or *curator bonis* appointed by such court, and such committee, *curator bonis* or other person may vote on a poll by proxy.

No right to vote where call unpaid.

76. No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Objections.

77. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

Voting on poll.

78. On a poll votes may be given either personally or by proxy.

Signature of proxies.

79. 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 the appointor be a corporation, either under its common seal or under the hand of an officer or attorney so authorised.

Who may be proxies.

80. A proxy need not be a Member of the Company. Any Member may appoint more than one proxy to attend on the same occasion.

Deposit of proxy.

81. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.

Form of proxy.

82. An instrument appointing a proxy may be in the usual common form or in such other form as the Board may accept and need not be witnessed. Such instrument shall unless the contrary is stated thereon be valid as well for any adjournment of the meeting as for the meeting to which it relates and shall be deemed to include the right to demand or join in demanding a poll.

Effect of death and revocation of proxy.

83. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, or the transfer of the share in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

## DIRECTORS

Number of Directors.

84. Unless and until otherwise determined by the Company in general meeting, the Directors shall be not less than six and not more than eighteen in number.

Remuneration.

85. The Directors shall be entitled to such remuneration as shall from time to time be determined by the Company in general meeting, and such remuneration shall be divided among the Directors as the Board may by resolution determine or, failing such determination, equally, except that in such event any Director holding office for less than a year shall only rank in such division in proportion to the period during which he has held office during such year. The

Expenses.

Directors shall also be entitled to be paid their reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or otherwise incurred while engaged on the business of the Company.

Special services.

86. Any Director who, by request, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine which shall be charged as part of the Company's ordinary working expenses.

Power of Director to hold offices of profit and to contract with Company.

87. (A) A Director of the Company may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested, and no such Director shall be accountable for any remuneration or other benefits received by him as a director or officer of or

from his interest in such other company. Subject to the provisions of Article 13 the Board may also exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the members of the Board or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company. And any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to become a director or officer of such other company and as such, or in any other manner, is or may be interested in the exercise of such voting rights in manner aforesaid.

Declaration of shareholdings.

(B) A Director holding office as Director of any other Company not being a Subsidiary Company of the Company shall declare his holding of such office to the Board. In the case of a salaried or Managing Director, he shall not hold office, whether as a Director, Manager, or otherwise, in any other Company not being a Subsidiary Company of the Company, unless he shall first have declared the nature and extent of such services and obtained the consent of the Board.

88. (A) 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 upon such terms as the Board may determine and may receive such remuneration therefor as the Board may think fit in addition to any other remuneration hereunder. Subject to the next paragraph of this Article, no Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

Declaration of interest.

(B) A Director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if his interest then exists, or in any other case at the first meeting

of the Board after he becomes so interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in all transactions with such company or firm shall be a sufficient declaration of interest under this Article, and after such general notice it shall not be necessary to give any special notice relating to any subsequent transaction with such company or firm, provided that either the notice is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

Restriction on voting.

(C) A Director shall not vote (nor be counted in the quorum) in respect of any contract or arrangement in which he is interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any arrangement for giving to any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company, nor to any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the Director has himself guaranteed or secured, nor to any contract by a Director to subscribe for or underwrite shares or debentures of the Company, nor to any contract or arrangement with a corporation in which he is interested only by reason of being a director, officer, creditor or member of such corporation, and it may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, by the Company in general meeting.

Quorum

(D) A Director, notwithstanding his interest, may be counted in the quorum present for the purpose of considering the appointment of himself or of any other Director to hold any such office or place of profit under the Company as aforesaid or of arranging the terms of any such appointment or matters relating to schemes or funds for the provision of pensions or other retirement benefits for employees of the Company in which he may be interested and he may vote on any such appointment or arrangement (other than his own appointment or the arrangement of the terms thereof) and on such matters.

(E) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor), and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

Qualification.

89. The qualification of a Director shall be the holding alone, and not jointly with any other person, of shares of the Company of any class or classes of the nominal amount of £100. A Director may act before obtaining his qualification but, if not already qualified,

shall obtain such qualification within two months after his appointment, and in default his office shall be vacated. If at any time after the expiration of such two months a Director shall cease to hold his qualification, his office shall be vacated. A person vacating office under this Article shall be incapable of being reappointed a Director until he shall have obtained his qualification.

Vacation of office of Director.

90. The office of a Director shall be vacated in any of the events following, namely:—

(*a*) If (not being an Executive Director holding office for a fixed term) he resign his office by writing under his hand left at the Office.

(*b*) If he be found or become of unsound mind or become bankrupt or compound with his creditors.

(*c*) If, without leave, he be absent, otherwise than on the business of the Company, from meetings of the Board for six consecutive months, and the Board resolve that his office be vacated.

(*d*) If he be prohibited from being a Director by reason of any order made under section 188 of the Act.

(*e*) If he be removed from office pursuant to section 184 of the Act.

(*f*) If he vacates office pursuant to the provisions of Article 89 or of Article 91.

Vacation at 65 years.

91. A Director shall vacate his office at the conclusion of the Annual General Meeting commencing next after he shall have attained the age of 65 years, unless a Resolution shall be passed at such Meeting extending his appointment for a maximum period of 5 years, and on the expiration of such extended period he shall not be capable of re-election. Provided that acts done by a person as Director shall be valid notwithstanding that it is afterwards discovered that his appointment had terminated by virtue of this Article. Where a Director vacates office under this Article the provisions of Article 110 will not apply and if at the Meeting at which he retires the vacancy is not filled under Article 112, Article 115 shall not apply but the vacancy may be filled as a casual vacancy under Article 117.

## POWERS AND DUTIES OF DIRECTORS

Powers of Board.

92. The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are

not by the Act or by these presents required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these presents and of the Act and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

Subsidiary companies.

93. The Board may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on as or through one or more subsidiary companies and the Board may on behalf of the Company make such arrangements as the Board think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing assisting or subsidizing any such subsidiary company or guaranteeing its contracts obligations or liabilities and the Board may appoint remove and re-appoint any persons (whether a Director of the Company or not) to act as Directors Managing Directors or Managers of any such company or any other company in which the Company may be interested and may determine the remuneration (whether by way of salary commission on profits or otherwise) of any persons so appointed and any Directors of the Company may retain any remuneration so payable to them.

Local boards.

94. The Board may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Appointment of attorney.

95. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in

or exercisable by the Board under these presents) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Official Seal.

96. The Company may exercise the powers conferred by section 35 of the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Board.

Dominion Register.

97. The Company may exercise the powers conferred by sections 119 to 122 of the Act with regard to the keeping of a Dominion Register, and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any such Register.

Borrowing powers. As inserted by Special Resolution passed 1st March, 1967.

98. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiary companies, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to the aggregate of (i) the amount paid up on the issued share capital of the Company and (ii) the amounts standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and profit and loss account) all as shown by a consolidation of the then latest audited balance sheets of the Company and its subsidiaries but (*a*) adjusted in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet; (*b*) excluding any amounts set aside for taxation and any amounts attributable to outside shareholders in

subsidiaries; (*c*) deducting any amounts attributable to goodwill and other intangible assets and the amount of any debit balance on the consolidated profit and loss account; and (*d*) deducting any amount distributed or proposed to be distributed but not provided for in such consolidation out of reserves or profits included therein.

(c) For the purposes of the said limit the following provisions shall apply:—

(i) the following shall (so far as not already otherwise taken into account) be taken into account as moneys borrowed:—

(*a*) the nominal or principal amount of any share capital, debentures or money borrowed (together in each case with any fixed or minimum premium payable on final repayment) the beneficial interest whereof is not for the time being owned by and the repayment whereof is guaranteed by the Company or a subsidiary;

(*b*) the principal amount raised by the Company or by any subsidiary by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;

(*c*) the principal amount (together with any premium payable on final repayment) of any debentures of the Company or a subsidiary;

(*d*) the nominal amount of the issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by the Company or another subsidiary;

(ii) moneys borrowed by the Company or any subsidiary for the purpose of repaying the whole or any part of borrowed moneys (other than inter-company borrowings) for the time being outstanding (including any premium payable on repayment) and so applied within four months of being first borrowed shall not pending their application for such purpose be deemed to be borrowed moneys;

(iii) in the case of a subsidiary of which only part of the equity share capital is attributable to the Company, that proportion of any moneys borrowed by such subsidiary (other than from the Company or a wholly-owned subsidiary) which is equal to the proportion of the equity share capital thereof which falls to be regarded as attributable

to minority shareholders shall be treated for all purposes as if the same were moneys borrowed from and owing to the Company or another subsidiary.

(D) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded.

Signature of cheques and bills.

99. All cheques, promissory notes, drafts, bills of exchange and other negotiable and transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

Board minutes.

100. The Board shall cause minutes to be made in books provided for the purpose:—

(*a*) Of all appointments of officers made by the Board.

(*b*) Of the names of the Directors present at each Board or Committee meeting.

(*c*) Of all resolutions and proceedings at all meetings of the Company and of the Board and of the Committees.

Register of Directors' shareholdings.

101. The Board shall cause to be kept the register of the Directors' holdings of shares and debentures required by section 195 of the Act, and shall render the same available for inspection during the period and by the persons prescribed, and produce the same at every annual general meeting as required by that section.

## MANAGING DIRECTOR

Managing Director.

102. The Board may from time to time appoint one or more of its body to the office of Managing Director or Assistant Managing Director for such period and upon such terms as it thinks fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. Any such appointment shall (without prejudice to any claim the appointee may have for damages for breach of any contract of service between him and the Company) *ipso facto* determine if he cease from any cause to be a Director.

Remuneration of Managing Director.

103. A Managing Director or Assistant Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

Powers of Managing Director.

104. The Board may entrust to and confer upon a Managing Director or Assistant Managing Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with or to the exclusion of its own powers, and may from time to time (subject to the terms of any agreement entered into in any particular case) revoke, withdraw, alter or vary all or any of such powers.

## SECRETARY

Secretary.

105. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

106. A provision of the Act or these presents requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## PENSIONS AND ALLOWANCES

Pensions.

107. Without in any way limiting or restricting the general powers of the Board to grant pensions, allowances or other similar payments to officers or ex-officers, employees or ex-employees of the Company, or the relatives or dependants of any such persons, it is hereby expressly declared that the Board may, upon any person who was or is for the time being a Director of the Company ceasing for any cause to hold some other office or place of profit (including that of Managing Director) previously held by him under the Company, make such grants or pay such pension or other retiring or similar allowance to such person or his relatives or dependants as the Board may think fit, and it shall be no objection to any such grant or payment that such person may remain an ordinary Director of the Company entitled to participate in the remuneration payable to the Directors. Any such grant, pension or other allowance may be made payable for such period and upon such terms and conditions as the Board in its discretion may from time to time determine, but shall only be made in respect of some office, place of profit or services other than service as an ordinary Director and any such

Director qualifying under this Article for the receipt of a pension may be included in any approved Superannuation Scheme which is for the time being administered by the Company.

## THE SEAL

Seal. As amended by Special Resolution passed 28th April, 1966.

108. The Board shall provide for the safe custody of the Seal, which shall not be affixed to any instrument except in the presence of at least two Directors or at least one Director and the Secretary and such Directors or Director and Secretary shall sign every instrument to which the Seal is so affixed in their presence. Provided that every certificate for shares, debentures or debenture stock shall be issued under the Seal but such certificates need not be signed or countersigned by any person.

Share certificates.

## ROTATION OF DIRECTORS

Retirement of Directors.

109. At every annual general meeting one-third of the Directors for the time being or if their number be not a multiple of three the number nearest to but not exceeding one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

Which Directors to retire.

110. The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Re-election.

111. A retiring Director shall, subject to the provisions of section 185 of the Act and of Article 91, be eligible for re-election.

Resolution not to fill vacancy.

112. The Company at the meeting at which a Director retires in manner aforesaid shall fill up the vacated office by electing a person thereto unless at such meeting it be expressly resolved not to fill up such vacated office. The Company may also in general meeting (subject to the provisions of Article 114) elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents.

Additional Directors.

Election by Separate Resolution.

113. Except as otherwise authorised by section 183 of the Act, the election or appointment of any person proposed as a Director shall be effected by a separate resolution, and a single resolution purporting to elect or appoint two or more persons to be Directors shall be ineffective and void.

Eligibility for election.

114. No person, other than a Director retiring at the meeting, shall, unless recommended by the Board, be eligible for election to the office of a Director at any general meeting unless, not less than three and not more than twenty-one clear days 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.

Re-election by default.

115. If at any meeting at which an election of Directors ought to take place the place of any retiring Director be not filled up such Director, if offering himself for re-election, shall be deemed to have been re-elected unless at such meeting it be expressly resolved not to fill up such place or unless either a motion that he be not re-elected is carried or a motion that he be re-elected is put to the meeting and defeated.

Increase and reduction of number of Directors.

116. The Company in general meeting may from time to time increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office.

Power of Board to fill casual vacancy and to appoint additional Directors.

117. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these presents to appoint any person to be a Director, the Board shall have power at any time and from time to time to appoint any person (subject to the provisions of section 185 of the Act and of Article 91) to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Removal of Directors.

118. The Company may by extraordinary resolution, or (subject to the provisions of section 184 of the Act) by ordinary resolution of which special notice has been given in accordance with section 142 of the Act, remove any Director before the expiration of his period of office and may (subject to Article 114 or to the said provisions as the case may be) by an ordinary resolution appoint another person in his stead. 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 a Director.

## PROCEEDINGS OF THE BOARD

Board meetings.

119. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may and the Secretary on the requisition of a Director shall at any time summon a Board meeting. In the event of any such requisition 3 days' notice at least (inclusive of the day on which the notice was served or deemed to have been served and of the day for which the notice is given) specifying the place, date and hour of the meeting and the general nature of the business to be transacted shall be given to each Director for the time being. It shall not be necessary to give notice of a Board meeting to any Director for the time being absent from the United Kingdom.

Quorum.

120. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two.

Powers of continuing Directors.

121. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number be reduced below the minimum number fixed by or in accordance with these presents the continuing Directors may act for the purpose of filling up vacancies in their body or of summoning general meetings of the Company but not for any other purpose, and may act for either of the purposes aforesaid whether or not their number be reduced below the number fixed by or in accordance with these presents as the quorum.

Chairman of Board.

122. The Board may elect a Chairman and deputy-Chairman of its meetings and determine the period for which they are respectively to hold office. If no such Chairman or deputy-Chairman be elected, or if at any meeting neither the Chairman nor the deputy-Chairman be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

Powers of meetings at which a quorum is present.

123. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board.

Committees.

124. The Board may delegate any of its powers to committees, whether consisting of a member or members of its body or not, as it thinks 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 Board.

Committee meetings.

125. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.

Resolution signed by all Directors.

126. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Board or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board, or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned.

Effect of defect in appointment of director.

127. All acts done by any Board or committee or by any person acting as a Director, 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 or had vacated office, shall be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director.

## DIVIDENDS

Payment of dividends.

128. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

Restriction on dividends.

129. No dividend shall be payable except out of the profits of the Company or in excess of the amount recommended by the Board.

Preacquisition profits.

130. Where any asset business or property is bought by the Company as from a past date the actual profit or loss as the case may be so accruing as from such date may at the discretion of the Board but subject to the provisions of the Act be credited or debited wholly or in part to revenue account or otherwise dealt with as if the same were a profit or loss arising from the business of the Company.

Apportionment of dividends.

131. All dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall

be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share be issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Interim dividends.

132. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the position of the Company; the Board may also pay the fixed dividend payable on any preference shares of the Company half-yearly or otherwise on fixed dates, whenever such position, in the opinion of the Board, justifies that course.

Deductions from dividends.

133. The Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

No interest on dividends.

134. No dividend shall bear interest against the Company.

Retention of dividends.

135. The Board may retain any dividends or bonuses payable on shares on which the Company has a lien and may apply the same in or towards satisfaction of the debts liabilities or engagements in respect of which the lien exists.

Failure to register under transmission Articles.

136. The Board may retain the dividends and bonuses payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.

Dividends may be paid by cheque.

137. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first on the Register in respect of the shares. Every such cheque or warrant shall, unless the holder otherwise directs, be made payable to the order of the registered holder, or in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk. Any one or two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by such joint holders.

Distribution in specie.

138. Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may fix the value for distribution of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution.

## RESERVES

Reserves.

139. The Board may before recommending any dividend set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to divide.

Share premium account.

140. The Board shall transfer to share premium account as required by section 56 of the Act sums equal to the amount or value of any premiums at which shares of the Company may be issued, and, subject to the provisions of the said section, the provisions of these presents relating to reserves shall be applicable to the sums for the time being standing to the credit of share premium account.

## CAPITALISATION OF PROFITS

Capitalisation of reserves.

141. The Company in general meeting may at any time and from time to time pass a resolution to the effect that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserves or to the credit of the profit and loss account or otherwise available for distribution and not required for the payment of the accrued fixed dividends on any preference shares of the Company and accordingly that such sum be set free for distribution among the Members holding ordinary shares in proportion to the amounts paid up on the issued ordinary shares held by them respectively, on the footing that the same be not paid

in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members or partly in one way and partly in the other, and the Board shall give effect to such resolution. Provided that a share premium account and a capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid.

Fractions.

142. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract requisite or convenient for giving effect thereto and such appointment shall be effective and binding upon the Members.

## ACCOUNTS

Accounts.

143. The Board shall cause true accounts complying with section 147 of the Act to be kept:—

(*a*) Of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place; and

(*b*) Of all sales and purchases of goods by the Company; and

(*c*) Of the assets and liabilities of the Company.

Inspection of accounts.

144. The books of account shall be kept at the Office or, subject to section 147 (3) of the Act, at such other place or places as the Board may think fit and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board.

Balance sheet and profit and loss account.

145. The Board shall from time to time, in accordance with sections 148, 150 and 157 of the Act, cause to be prepared and to be

laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

Distribution of reports and accounts. As amended by Special Resolution passed 1st March, 1967.

146. A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall not be less than twenty-one days before the date of the meeting be sent to every Member and to every holder of debentures of the Company and whenever quotation of any Stock Exchange in the United Kingdom for all or any of the shares or debentures of the Company shall for the time being be in force there shall be forwarded to the appropriate offices of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice. Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

## AUDIT

Auditors.

147. Auditors shall be appointed and their duties regulated in accordance with sections 159 to 162 of the Act.

## NOTICES

Service of notices.

148. Any notice or other document may be served by the Company on 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. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

Members outside United Kingdom.

149. Any Member described in the Register by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid no Member other than a Member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.

Proof of service.

150. Any notice or other document, if served by post, shall be deemed to have been served at the time when the same was put into the post office, and in proving such service it shall be sufficient

to prove that the notice or document was properly addressed, stamped and put into the post office.

Death and bankruptcy.

151. Any notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service of the notice or document, have been removed from the Register as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

## WINDING-UP

Division in specie on winding up.

152. If the Company shall be wound up the Liquidator may, with the sanction of an extraordinary resolution of the members, divide among the members in specie or kind the whole or any part of the assets of the Company and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the Liquidator, with the like sanction, shall think fit.

## INDEMNITY

Indemnity of Directors.

153. Every Director, Managing Director, Manager, Officer and Auditor of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, Managing Director, Manager, Officer or Auditor 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 488 of the Act in which relief is granted to him by the Court.

No. 309779

*COMPANY LIMITED BY SHARES*

# Memorandum

AND

# Articles of Association

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*New Articles of Association as adopted by Special Resolution passed 10th December, 1953 and reprinted in April, 1967 to include all amendments made thereto by Special Resolutions subsequently passed up to and including 31st March, 1967.*

*Incorporated the 27th day of January, 1936.*

LINKLATERS & PAINES,
BARRINGTON HOUSE,
59-67, GRESHAM STREET,
LONDON, E.C.2.

LONDON, S.E.1.

This is a true copy of the Memorandum of Association of CARPETS INTERNATIONAL LIMITED as altered down to and including 29th May,1974.

Secretary

309779

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THE COMPANIES ACT, 1929

*COMPANY LIMITED BY SHARES*

# Memorandum of Association

OF

CARPETS INTERNATIONAL LIMITED

(as altered down to and including 29th May,1974)

NOTE. The name of the Company was changed (i) on 14th December,1953, to CROSSLEY-CARPET TRADES HOLDINGS LIMITED pursuant to Special Resolution dated 10th December, 1953 and (ii) on 10th April,1969, to "CARPETS INTERNATIONAL LIMITED" pursuant to Special Resolution dated 9th April,1969.

1. The name of the Company is "CARPET TRADES LIMITED".

2. The registered office of the Company will be situate in England.

3. The objects for which the Company is formed are:—

(1) To purchase or otherwise acquire the goodwill of the business of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto heretofore carried on by C.X.T. Limited (formerly Carpet Trades Limited and now in voluntary liquidation) and all or any part or parts of the assets of the said Company and to take over and undertake all or any of the liabilities of the said business and Company upon such terms as shall be thought fit and for that purpose to enter into and carry into effect with or without modification an Agreement expressed to be made between C.X.T. Limited (now in voluntary liquidation) of the first part John Benjamin Hill the Liquidator of C.X.T. Limited of the second part and this Company of the third part and to carry on and develop the said business.

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COMPANIES REGISTRATION OFFICE
17 JUN 1974

(2) To carry on all or any of the businesses of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto spinners doublers or twisters of cotton flax hemp jute wool and wool derivatives and other fibrous substances bleachers dyers makers and dealers in bleaching and dyeing materials; to buy sell sort comb card prepare weave felt or otherwise manufacture dye finish and otherwise deal with and deal in in the raw manufactured or semi-manufactured state wool and wool derivatives cotton flax hemp jute silk and other fibrous substances and other goods and fabrics of all kinds and to subscribe for acquire and hold share stocks or securities of companies whose objects include the carrying on of all or any such businesses as aforesaid.

(3) To carry on the business of mechanical engineers iron founders and manufacturers of machinery of all kinds tool makers brass founders metal workers boiler makers millwrights machinists iron and steel converters smiths woodworkers builders painters metallurgists electrical and water engineers gas makers and merchants and to buy sell manufacture repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the manufacturing or engineering business of the Company or any contract undertaken by the Company and either for the purpose only of such contract or of any independent business.

(4) To construct execute carry out improve work develop administer manage or control public or private works or conveniences of all kinds including railways tramways roads canals docks reservoirs embankments markets sewerage or drainage water gas electric light hydraulic irrigation and other works and to lay out land for building and to construct and maintain roads or streets and to erect work or operate or advance money for the purpose of erecting working or operating dwellinghouses warehouses hotels shops stores factories mills and every other description of buildings.

(5) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company.

(6) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business similar analogous or subsidiary to any of the objects of the Company.

(7) To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any branch or business so carried on or for financing any such subsidiary company or a company which is directly or indirectly controlled by this Company or in which this Company holds a substantial interest or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business and to act as directors or managers of or to appoint directors or managers of any such subsidiary company or of any other company in which this Company is interested.

(8) To purchase lease or otherwise acquire and build upon any land and to alter enlarge rebuild or otherwise improve any buildings or other property from time to time belonging to the Company or in which the Company may be interested.

(9) To buy or otherwise acquire underwrite issue hold place sell lend money on the security of or otherwise deal with stocks shares bonds debentures and securities of all kinds and to give any guaranty or security in relation thereto or otherwise in connection with any stocks shares bonds debentures or securities.

(10) To purchase or by any other means acquire and protect prolong and renew in the United Kingdom or in any part of the world any patents patent rights brevets d'invention licences protections and concessions which may appear likely to be advantageous or useful to the

Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend money in experimenting upon and testing and in improving or seeking to improve any patents inventions or rights which the Company may acquire or propose to acquire.

(11) To pay for any property acquired by the Company in shares stock profit-sharing certificates bonds debentures debenture stock or obligations of the Company whether fully or partly paid.

(12) To borrow raise or secure the repayment of money by debentures debenture stock bonds or other obligations and securities of the Company which may be secured upon all or any part of the property of the Company (both present and future) including its uncalled capital or by receiving moneys on loan or deposit at interest or otherwise or in such manner and on such terms as may seem expedient.

(13) To guarantee or become liable for the payment of money or for the performance of any obligations also to transact all kinds of agency business.

(14) To grant pensions allowances gratuities and bonuses to persons who are or have at any time been employed by or trading with the Company or any predecessor of the Company in business or to the wives widows families relatives or dependants of any such persons and to support and subscribe to any schools and any educational scientific literary religious or charitable institution or trade societies whether such societies be solely connected with the trade carried on by the Company or not and any club or other establishment calculated to advance the interests of the Company or of any such persons as aforesaid.

(15) To make accept endorse discount issue and execute promissory notes bills of exchange and other negotiable instruments.

(16) To invest lend or deal with the moneys of the Company not immediately required upon such securities or investments (not being shares of the Company) or in such manner as may from time to time be determined.

(17) To enter into partnership or any joint purse arrangement or any arrangement for sharing profits union of interests or co-operation with any company firm or person carrying on or proposing to carry on any business within the objects of this Company and to acquire and hold shares stock or securities of any such company and to lend money to guarantee the contract of or otherwise assist any such company firm or person.

(18) To establish or promote subsidise and assist or concur in establishing or promoting subsidising and assisting any other companies syndicates and partnerships British or foreign whose objects shall include the acquisition and taking over of all or any of the assets rights and liabilities of or shall be considered in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire hold and deal in and with the shares stock or securities of and guarantee the payment of any securities issued by or any other obligation of any such company or the payment of dividends on the shares or stocks of any such company.

(19) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) or any corporations companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government authority corporation company or person any charters contracts decrees rights privileges and concessions which the Company may think desirable and to carry out exercise and comply with any such charters contracts decrees rights privileges and concessions.

(20) To promote any bills in Parliament for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in its constitution or furthering the interests of its Members and to support or oppose any bills in Parliament promoted by others.

(21) To amalgamate with any other company whose objects are or include objects similar to any of those of this Company whether by sale or purchase (for shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any

such other company as aforesaid or by partnership or any arrangement of the nature of partnership or in any other manner.

(22) To sell exchange let on rent royalty tribute share of profits or otherwise grant licences easements and other rights of and over and in any other manner deal with turn to account or dispose of the undertaking and all or any of the property assets rights and effects for the time being of the Company for such consideration as may be thought fit and in particular wholly or partly for shares stocks debentures or securities or obligations of any other company or of any authority (supreme municipal local or otherwise).

(23) To distribute among the Members or any class of Members *in specie* any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(24) To pay all or any part of the expenses of and incident to the formation and establishment of this Company and to remunerate any parties for sevices rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures debenture stock or other securities of the Company or in about the conduct of the Company's business.

(25) To do all or any of the above things in any part of the world and either as principals or agents and either through agents trustees or otherwise and either alone or in conjunction with others.

(26) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

Provided that nothing herein contained shall empower the Company to carry on the business of assurance or to grant annuities within the meaning of the Assurance Companies Act, 1909, as extended by the Industrial Assurance Act, 1923, or the Road Traffic Acts, 1930 to 1934, or to re-insure any risks under any class of assurance business to which those Acts apply.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere and that the objects specified in the different paragraphs of this clause shall except where otherwise expressed in such paragraphs be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

4. The liability of the Members is limited.

5. The share capital of the Company is *£500,000 divided into 1,000,000 shares of 10s. each.

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* The share capital of the Company, immediately following an increase of capital on 29th May,1974, was £11,250,000 divided into 22,500,000 Ordinary Shares of 50p each.

WE the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS | Number of Shares taken by each Subscriber |
|---|---|
| WILLIAM LAURIE WILSON,<br>Bellmans, Mounthill Avenue,<br>Chelmsford,<br>Essex.<br>*Statistician.* | One Ordinary |
| SIDNEY GEORGE TIERNEY,<br>18, Brunswick Place,<br>Hove,<br>Sussex.<br>*Accountant.* | One Ordinary |
| ALFRED ERNEST McNEALL,<br>Cranleigh, Brancaster Lane,<br>Purley,<br>Surrey.<br>*Clerk.* | One Ordinary |
| PETER WILLIAMSON,<br>19, Westmont Road,<br>Esher,<br>Surrey.<br>*Clerk.* | One Ordinary |
| ANDREW HARROWER PEARSON,<br>4, Westhall Road,<br>Kew Gardens, Richmond,<br>Surrey.<br>*Clerk.* | One Ordinary |
| HERBERT SYDNEY CUMING,<br>11, Hill View Gardens,<br>Hendon,<br>N.W.4.<br>*Bank Official.* | One Ordinary |

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS | Number of Shares taken by each Subscriber |
|---|---|
| VALENTINE THOMAS BARKER,<br>99, Falmouth Avenue,<br>Highams Park,<br>London, E.4.<br>*Bank Cashier.* | One Ordinary |

DATED the 21st day of January, 1936.

WITNESS to the above Signatures:—

P. M. HARVEY,
Fairlight, Castle Lane,
Hadleigh,
Essex.
*Clerk.*

No. 309779 / 191

# C A R P E T S  I N T E R N A T I O N A L  L I M I T E D

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## O R D I N A R Y  R E S O L U T I O N
Passed 29th May, 1974

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At the Annual General Meeting of the Company duly convened and held on 29th May, 1974, the following Resolution was duly passed as an Ordinary Resolution:-

RESOLUTION

"T H A T the Capital of the Company be increased from £10,250,000 to £11,250,000 by the creation of an additional 2,000,000 Ordinary Shares of 50p each."

N.V. GRIMSHAW,

Secretary

COMPANIES REGISTRATION OFFICE
17 JUN1974

LINKLATERS & PAINES
BARRINGTON HOUSE
59-67 GRESHAM STREET
LONDON, EC2V 7JA

JM

Form No. 10/10A

No. of Company 309779 /192.

# THE COMPANIES ACTS 1948 to 1967

## Notice and Statement* of Increase in Nominal Capital

* DELETE " and Statement " in cases where a SEPARATE statement is necessary; see overleaf for notes.

To THE REGISTRAR OF COMPANIES

Insert name of Company.

CARPETS INTERNATIONAL

Limited, hereby gives you notice, pursuant to Section 63 of the Companies Act 1948, that by a † Ordinary Resolution of the Company dated the 29th day of May 19 74 the nominal capital of the Company has been increased by the addition thereto of the sum of £ 1,000,000 beyond the registered capital of £ 10,250,000

† State whether Ordinary or Extraordinary or Special Resolution.

The additional capital is divided as follows:—

| Number of Shares | Class of Share | Nominal amount of each share |
|---|---|---|
| 2,000,000 | Ordinary | 50p |

The conditions (e.g., voting rights, dividend rights, winding-up rights, etc.) subject to which the new shares have been, or are to be, issued are as follows:—

If any of the new shares are Preference Shares state whether they are redeemable or not. If this space is insufficient the conditions should be set out separately by way of annexure.

The new Ordinary Shares carry the same rights, subject to the terms of issue, as the existing Ordinary Shares.

Signature .....

State whether Director or Secretary } Secretary

COMPANIES REGISTRATION OFFICE 17 JUN1974

Dated the 12th day of June 19 74

Presented by LINKLATERS & PAINES

Presentor's Reference JWM

BARRINGTON HOUSE, 59/67 GRESHAM STREET

LONDON EC2V 7JA

# CARPETS INTERNATIONAL LIMITED

## NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at 11 a.m. on Friday the 6th day of February 1976 at the Registered Office of the Company, New Road, Kidderminster, Worcestershire for the purpose of considering and, if thought fit, passing the following Resolution which will be proposed as an ORDINARY RESOLUTION:—

### ORDINARY RESOLUTION

THAT the authorised share capital of the Company be hereby increased from £11,250,000 to £14,500,000 by the creation of an additional 6,500,000 Ordinary Shares of 50p each.

By Order of the Board,
N. V. GRIMSHAW,
*Secretary.*

Dated this 22nd day of January 1976.

*Notes:—*

A member entitled to attend and vote at the above Meeting may appoint one or more proxies (who need not be members of the Company) to attend and on a poll vote in his stead.

Proxies should be signed and lodged at the office of the Registrars of the Company, Hill Samuel Registrars Limited, 6 Greencoat Place, London, S.W.1 not later than 48 hours before the time fixed for the above Meeting.



BURRUP, MATHIESON & CO., LTD., LONDON S926651/W

No. 309779 /199

The Companies Acts 1929 to 1967

COMPANY LIMITED BY SHARES

RESOLUTION

of

CARPETS INTERNATIONAL LIMITED

Passed 6th February, 1976

AT an EXTRAORDINARY GENERAL MEETING of the Company held on Friday, the 6th day of February, 1976 the following Resolution was duly passed as an ORDINARY RESOLUTION :-

ORDINARY RESOLUTION

THAT the authorised share capital of the Company be hereby increased from £11,250,000 to £14,500,000 by the creation of an additional 6,500,000 Ordinary Shares of 50p each.

Secretary

LINKLATERS & PAINES
BARRINGTON HOUSE,
59-67, GRESHAM STREET,
LONDON EC2V 7JA
TEL. 01 606 7080

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COMPANIES REGISTRATION OFFICE
20 FEB 1976

Form No. 10

No. of Company 309779 500

# THE COMPANIES ACTS 1948 to 1967

## Notice of Increase in Nominal Capital

To THE REGISTRAR OF COMPANIES

Insert name of company; insert "Limited" if not applicable

CARPETS INTERNATIONAL

Limited, hereby gives you notice, pursuant to Section 63 of the Companies Act 1948, that by an Ordinary Resolution of the Company dated the sixth day of February 19 76 the nominal capital of the Company has been increased by the addition thereto of the sum of £3,250,000 beyond the registered capital of £11,250,000

State whether Ordinary or Extraordinary or Special Resolution.

The additional capital is divided as follows:—

| Number of Shares | Class of Share | Nominal amount of each share |
|---|---|---|
| 6,500,000 | Ordinary | 50p |

The conditions (e.g., voting rights, dividend rights, winding-up rights, etc.) subject to which the new shares have been, or are to be, issued are as follows:—

If any of the new shares are Preference Shares state whether they are redeemable or not. If the space is insufficient the conditions should be set out separately by way of memorandum.

The new Ordinary Shares will rank pari passu in all respects with the existing fully paid Ordinary Shares and, in particular, will rank for the final dividend in respect of the year ended 3rd January 1976.

Signature ..... Secretary

State whether Director or Secretary .....

Dated the 18th day of February 19 76.

COMPANIES REGISTRATION OFFICE 20 FEB 1976

Presented by Linklaters & Paines, Barrington House, 59/67 Gresham Street, London, EC2V 7JA.

Presentor's Reference MPN

*(see notes overleaf)*

No. 309719 / 207

S/Solicitors 6.2.76

*COMPANY LIMITED BY SHARES*

# Memorandum

AND

# Articles of Association

CARPETS INTERNATIONAL

~~JOHN CROSSLEY CARPET TRADES~~

~~HOLDINGS~~ LIMITED

*New Articles of Association as adopted by Special Resolution passed 10th December, 1953 and reprinted in April, 1967 to include all amendments made thereto by Special Resolutions subsequently passed up to and including 31st March, 1967.*

*Incorporated the 27th day of January, 1936.*

22

LINKLATERS & PAINES,
BARRINGTON HOUSE,
59-67, GRESHAM STREET,
LONDON, E.C.2.

MPW

COMPANIES REGISTRATION OFFICE
25 FEB 1976

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No. 309779

# Certificate of Incorporation

I Hereby Certify that JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED (originally called CARPET TRADES LIMITED which name was changed by Special Resolution and with the Authority of the Board of Trade on the Fourteenth day of December, One thousand nine hundred and fifty-three) was Incorporated under the Companies Act, 1929 as a LIMITED Company, on the Twenty-seventh day of January, One thousand nine hundred and thirty-six.

GIVEN under my hand at London, this Fourteenth day of December, One thousand nine hundred and fifty-three.

W. B. LANGFORD,
*Registrar of Companies.*

THE COMPANIES ACT, 1929

*COMPANY LIMITED BY SHARES*

# Memorandum of Association

## CARPETS INTERNATIONAL ~~JOHN CROSSLEY-CARPET TRADES HOLDINGS~~ LIMITED

1. The name of the Company is "CARPET TRADES LIMITED".

2. The registered office of the Company will be situate in England.

3. The objects for which the Company is formed are:—

(1) To purchase or otherwise acquire the goodwill of the business of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto heretofore carried on by C.X.T. Limited (formerly Carpet Trades Limited and now in voluntary liquidation) and all or any part or parts of the assets of the said Company and to take over and undertake all or any of the liabilities of the said business and Company upon such terms as shall be thought fit and for that purpose to enter into and carry into effect with or without modification an Agreement expressed to be made between C.X.T. Limited (now in voluntary liquidation) of the first part John Benjamin Hill the Liquidator of C.X.T. Limited of the second part and this Company of the third part and to carry on and develop the said business.



. The name of the Company was changed (i) on 14th December 1953
N CROSSLEY-CARPET TRADES HOLDINGS LIMITED pursuant to Special
ution dated 10th December 1953 and (ii) on 10th April 1969 to
TS INTERNATIONAL LIMITED" pursuant to Special Resolution dated
ril 1969

(2) To carry on all or any of the businesses of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto spinners doublers or twisters of cotton flax hemp jute wool and wool derivatives and other fibrous substances bleachers dyers makers and dealers in bleaching and dyeing materials; to buy sell sort comb card prepare weave felt or otherwise manufacture dye finish and otherwise deal with and deal in in the raw manufactured or semi-manufactured state wool and wool derivatives cotton flax hemp jute silk and other fibrous substances and other goods and fabrics of all kinds and to subscribe for acquire and hold share stocks or securities of companies whose objects include the carrying on of all or any such businesses as aforesaid.

(3) To carry on the business of mechanical engineers iron founders and manufacturers of machinery of all kinds tool makers brass founders metal workers boiler makers millwrights machinists iron and steel converters smiths woodworkers builders painters metallurgists electrical and water engineers gas makers and merchants and to buy sell manufacture repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the manufacturing or engineering business of the Company or any contract undertaken by the Company and either for the purpose only of such contract or of any independent business.

(4) To construct execute carry out improve work develop administer manage or control public or private works or conveniences of all kinds including railways tramways roads canals docks reservoirs embankments markets sewerage or drainage water gas electric light hydraulic irrigation and other works and to lay out land for building and to construct and maintain roads or streets and to erect work or operate or advance money for the purpose of erecting working or operating dwellinghouses warehouses hotels shops stores factories mills and every other description of buildings.

(5) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company.

(6) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business similar analogous or subsidiary to any of the objects of the Company.

(7) To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any branch or business so carried on or for financing any such subsidiary company or a company which is directly or indirectly controlled by this Company or in which this Company holds a substantial interest or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business and to act as directors or managers of or to appoint directors or managers of any such subsidiary company or of any other company in which this Company is interested.

(8) To purchase lease or otherwise acquire and build upon any land and to alter enlarge rebuild or otherwise improve any buildings or other property from time to time belonging to the Company or in which the Company may be interested.

(9) To buy or otherwise acquire underwrite issue hold place sell lend money on the security of or otherwise deal with stocks shares bonds debentures and securities of all kinds and to give any guaranty or security in relation thereto or otherwise in connection with any stocks shares bonds debentures or securities.

(10) To purchase or by any other means acquire and protect prolong and renew in the United Kingdom or in any part of the world any patents patent rights brevets d'invention licences protections and concessions which may appear likely to be advantageous or useful to the

Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend money in experimenting upon and testing and in improving or seeking to improve any patents inventions or rights which the Company may acquire or propose to acquire.

(11) To pay for any property acquired by the Company in shares stock profit-sharing certificates bonds debentures debenture stock or obligations of the Company whether fully or partly paid.

(12) To borrow raise or secure the repayment of money by debentures debenture stock bonds or other obligations and securities of the Company which may be secured upon all or any part of the property of the Company (both present and future) including its uncalled capital or by receiving moneys on loan or deposit at interest or otherwise or in such manner and on such terms as may seem expedient.

(13) To guarantee or become liable for the payment of money or for the performance of any obligations also to transact all kinds of agency business.

(14) To grant pensions allowances gratuities and bonuses to persons who are or have at any time been employed by or trading with the Company or any predecessor of the Company in business or to the wives widows families relatives or dependants of any such persons and to support and subscribe to any schools and any educational scientific literary religious or charitable institution or trade societies whether such societies be solely connected with the trade carried on by the Company or not and any club or other establishment calculated to advance the interests of the Company or of any such persons as aforesaid.

(15) To make accept endorse discount issue and execute promissory notes bills of exchange and other negotiable instruments.

(16) To invest lend or deal with the moneys of the Company not immediately required upon such securities or investments (not being shares of the Company) or in such manner as may from time to time be determined.

(17) To enter into partnership or any joint purse arrangement or any arrangement for sharing profits union of interests or co-operation with any company firm or person carrying on or proposing to carry on any business within the objects of this Company and to acquire and hold shares stock or securities of any such company and to lend money to guarantee the contract of or otherwise assist any such company firm or person.

(18) To establish or promote subsidise and assist or concur in establishing or promoting subsidising and assisting any other companies syndicates and partnerships British or foreign whose objects shall include the acquisition and taking over of all or any of the assets rights and liabilities of or shall be considered in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire hold and deal in and with the shares stock or securities of and guarantee the payment of any securities issued by or any other obligation of any such company or the payment of dividends on the shares or stocks of any such company.

(19) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) or any corporations companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government authority corporation company or person any charters contracts decrees rights privileges and concessions which the Company may think desirable and to carry out exercise and comply with any such charters contracts decrees rights privileges and concessions.

(20) To promote any bills in Parliament for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in its constitution or furthering the interests of its Members and to support or oppose any bills in Parliament promoted by others.

(21) To amalgamate with any other company whose objects are or include objects similar to any of those of this Company whether by sale or purchase (for shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any

such other company as aforesaid or by partnership or any arrangement of the nature of partnership or in any other manner.

(22) To sell exchange let on rent royalty tribute share of profits or otherwise grant licences easements and other rights of and over and in any other manner deal with turn to account or dispose of the undertaking and all or any of the property assets rights and effects for the time being of the Company for such consideration as may be thought fit and in particular wholly or partly for shares stocks debentures or securities or obligations of any other company or of any authority (supreme municipal local or otherwise).

(23) To distribute among the Members or any class of Members *in specie* any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(24) To pay all or any part of the expenses of and incident to the formation and establishment of this Company and to remunerate any parties for sevices rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures debenture stock or other securities of the Company or in about the conduct of the Company's business.

(25) To do all or any of the above things in any part of the world and either as principals or agents and either through agents trustees or otherwise and either alone or in conjunction with others.

(26) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

Provided that nothing herein contained shall empower the Company to carry on the business of assurance or to grant annuities within the meaning of the Assurance Companies Act, 1909, as extended by the Industrial Assurance Act, 1923, or the Road Traffic Acts, 1930 to 1934, or to re-insure any risks under any class of assurance business to which those Acts apply.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere and that the objects specified in the different paragraphs of this clause shall except where otherwise expressed in such paragraphs be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

4. The liability of the Members is limited.

5. The share capital of the Company is *£500,000 divided into 1,000,000 shares of 10s. each.

---

* The share capital of the Company immediately following an increase of capital on 6th February 1976 was £14,500,000 divided into 29,000,000 Ordinary Shares of £1 each.

WE the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS | Number of Shares taken by each Subscriber |
|---|---|
| WILLIAM LAURIE WILSON,<br>Bellmans, Mounthill Avenue,<br>Chelmsford,<br>Essex.<br>*Statistician.* | One Ordinary |
| SIDNEY GEORGE TIERNEY,<br>18, Brunswick Place,<br>Hove,<br>Sussex.<br>*Accountant.* | One Ordinary |
| ALFRED ERNEST McNEALL,<br>Cranleigh, Brancaster Lane,<br>Purley,<br>Surrey.<br>*Clerk.* | One Ordinary |
| PETER WILLIAMSON,<br>19, Westmont Road,<br>Esher,<br>Surrey.<br>*Clerk.* | One Ordinary |
| ANDREW HARROWER PEARSON,<br>4, Westhall Road,<br>Kew Gardens, Richmond,<br>Surrey.<br>*Clerk.* | One Ordinary |
| HERBERT SYDNEY CUMING,<br>11, Hill View Gardens,<br>Hendon,<br>N.W.4.<br>*Bank Official.* | One Ordinary |

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS | Number of Shares taken by each Subscriber |
|---|---|
| VALENTINE THOMAS BARKER,<br>99, Falmouth Avenue,<br>Higliams Park,<br>London, E.4.<br>*Bank Cashier.* | One<br>Ordinary |

DATED the 21st day of January, 1936.

WITNESS to the above Signatures:—

P. M. HARVEY,
Fairlight, Castle Lane,
Hadleigh,
Essex.
*Clerk.*

Shelf Rehab



No. 309779

# CARPET TRADES LIMITED

## Special Resolutions

*Passed 10th December, 1953*

At an EXTRAORDINARY GENERAL MEETING of CARPET TRADES LIMITED, duly convened, and held on the 10th day of December, 1953, the following Resolutions were duly passed as SPECIAL RESOLUTIONS:—

### RESOLUTIONS

1. THAT the name of the Company be changed to "JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED".

2. THAT is it desirable to transfer to a subsidiary company incorporated for the purpose the undertaking and assets of the Company (other than such part of the cash resources as the Directors may determine) subject to the liabilities of the Company and that the two Agreements in relation thereto produced to this meeting and signed for identification by Slaughter and May be and are hereby approved, and that the Directors be and they are hereby authorised and directed to enter into the said Agreements (with or without modification) in due order and carry the same into effect.

3. THAT with a view to the acquisition of the whole of the issued Preference and Ordinary Stock in the capital of John Crossley & Sons, Limited, the Share Capital of the Company be increased to £2,500,000 by the creation of 750,000 5 per cent. Cumulative Preference Shares of £1 each and 1,500,000 Ordinary Shares of 10s. each.

4. THAT the regulations contained in the printed document submitted to the meeting and for the purpose of identification subscribed by the Chairman thereof be and they are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles thereof.

J. B. HILL,
*Secretary.*

No. 309779

# CARPET TRADES LIMITED

## Extraordinary Resolution

OF

### PREFERENCE SHAREHOLDERS

*Passed 10th December, 1953*

At a SEPARATE CLASS MEETING of the holders of the 5 per cent. Cumulative Preference Shares of CARPET TRADES LIMITED, duly convened, and held on the 10th day of December, 1953, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

RESOLUTION

THAT this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in Carpet Trades Limited convened pursuant to Article 8 of the Articles of Association of the Company hereby consents (i) to the issue by the Company of not exceeding 593,985 5 per cent. Cumulative Preference Shares in exchange for 5 per cent. Cumulative Preference Stock of John Crossley & Sons, Limited, on a par for par basis in accordance with the terms of the Offer made by the Company to the holders of the 5 per cent. Cumulative Preference Stock and Ordinary Stock of John Crossley & Sons, Limited, dated the 11th November, 1953, notwithstanding that thereby the total amount of the issued 5 per cent. Cumulative Preference Shares may exceed 50 per cent. of the total issued share capital of the Company, and (ii) to any and all modifications of the rights attached to the said Preference Shares which may arise in consequence of the adoption of new Articles of Association in the form this day submitted to and approved by an Extraordinary General Meeting of the Company.

J. B. HILL,

*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 16th November,* 1954

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 16th November, 1954, the following Resolutions were duly passed, the third as a SPECIAL RESOLUTION:—

## RESOLUTIONS

1. THAT the capital of the Company be increased to £3,500,000 by the creation of 2,000,000 Ordinary Shares of 10s. each.

2. THAT it is desirable to capitalise the sum of £883,390 being as to £784,667 10s. 0d. the amount standing to the credit of Share Premium Account and as to £98,722 10s. 0d. part of the amount standing to the credit of the Capital Reserve and, accordingly, that such sum be set free for distribution among the Members holding Ordinary Shares registered at the close of business on 5th November, 1954, in proportion to the amounts paid up on the issued Ordinary Shares held by them respectively, on the footing that the same be not paid in cash but be applied in paying up in full 1,766,780 unissued Ordinary Shares of 10s. each in the Company and that such Ordinary Shares be allotted and distributed credited as fully paid up among such Members in the proportion of one new Ordinary Share for each Ordinary Share held at the close of business on 5th November, 1954.

3. THAT Article 72 of the Articles of Association of the Company be altered in manner following:—

(*a*) by deleting the second sentence thereof and substituting the following therefor:—

"On a poll every Member who is present in person or by proxy shall have one vote for every Ordinary Share and two votes for every Preference Share of which he is the holder."

(*b*) by deleting the word "two" at the end of line five thereof and substituting the word "four" therefor.

For and behalf of
JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED,
T. V. LAYCOCK,
*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

PREFERENCE SHAREHOLDERS

IN

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed* 16*th Novem*[illegible]*r*, 1954

At a Separate Meeting of the holders of the Preference Shares in JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on the 16th November, 1954 the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

## RESOLUTION

THAT this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in John Crossley-Carpet Trades Holdings Limited hereby consents to any and all modification of the rights attached to the said Preference Shares to be effected by or involved in the alterations to Article 72 of the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting.

For and behalf of
JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED.
T. V. LAYCOCK,
*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 18th August, 1959*

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 18th August, 1959, the following Resolutions were duly passed, the third as a SPECIAL RESOLUTION:—

## RESOLUTIONS

1. THAT the capital of the Company be increased to £5,000,000 by the creation of 3,000,000 Ordinary Shares of 10s. each.

2. THAT it is desirable to capitalise the sum of £1,766,780 being as to £23,647 the whole of the amount standing to the credit of Capital Reserve, as to £1,500,000 the whole of the amount standing to the credit of General Reserve and as to £243,133 part of the amount standing to the credit of Profit and Loss Account and, accordingly, that such sum be set free for distribution among the Members holding Ordinary Shares registered at the close of business on 25th July, 1959, in proportion to the amounts paid up on the Issued Ordinary Shares held by them respectively, on the footing that the same be not paid in cash but be applied in paying up in full 3,533,560 unissued Ordinary Shares of 10s. each in the Company and that such Ordinary Shares be allotted and distributed credited as fully

paid up among such Members in the proportion of one new Ordinary Share for each Ordinary Share held at the close of business on 25th July, 1959.

3. THAT the Articles of Association of the Company be altered by the deletion of Article 72 thereof and the substitution therefor of the following Article:—

"72. On a show of hands every Member who is present in person shall have one vote. On a poll every person who is present in person or by proxy shall have one vote for every Ordinary Share and four votes for every Preference Share of which he is the holder. Provided that the Preference Shares shall on a poll entitle the holders to eight votes for every Preference Share held on a resolution for winding up the Company or for any reduction of capital involving any repayment of capital on the Preference Shares or on any resolution directly and adversely affecting the special rights or privileges attached to the Preference Shares proposed at any General Meeting and also on every resolution proposed at any General Meeting held whilst the dividend on the Preference Shares is in arrear and so for this purpose the dividend on the Preference Shares shall be deemed to be payable half-yearly on the 30th June and the 31st December in every year."

T. V. LAYCOCK,

*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

PREFERENCE SHAREHOLDERS

IN

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 18th August, 1959*

At a SEPARATE MEETING of the Holders of the Preference Shares in JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 18th August, 1959, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

## RESOLUTION

THAT this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in John Crossley-Carpet Trades Holdings Limited hereby consents to any and all modifications of the rights attached to the said Preference Shares to be effected by or involved in the alterations to the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting.

T. V. LAYCOCK,

*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 28th April, 1966*

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 28th April, 1966, the following Resolutions were duly passed, the first as an EXTRAORDINARY RESOLUTION and the third as a SPECIAL RESOLUTION:—

## RESOLUTIONS

1. THAT the capital of the Company be increased from £5,000,000 to £7,000,000 by the creation of 4,000,000 Ordinary Shares of 10s. each ranking *pari passu* in all respects with the existing Ordinary Shares of 10s. each in the capital of the Company.

2. THAT it is desirable to capitalise the sum of £1,821,127 10s. 0d. (being as to £137,122 13s. 9d. the balance standing to the credit of Share Premium Account and as to the remaining £1,684,004 16s. 3d. part of the balance standing to the credit of General Reserve) and accordingly that such sum be capitalised and that the Directors be and they are hereby authorised to appropriate as capital to and amongst the Members registered at the close of business on the 31st day of March, 1966, as the holders of the issued Ordinary Shares of 10s. each in the capital of the Company in proportion to the number of such Shares held by them respectively and to apply such sum on their behalf in paying up in full at par 3,642,255 of the unissued Ordinary Shares of 10s. each in the capital of the Company and that such 3,642,255 Ordinary Shares be allotted

and distributed credited as fully paid up to and amongst such Members in the proportion of one such Ordinary Share for every two Ordinary Shares held by such Members at the close of business on the 31st day of March, 1966 and so that such new Shares shall not rank for any dividends declared in respect of the period ended the 4th day of December, 1965, but shall rank *pari passu* with the existing Ordinary Shares for all dividends hereafter declared on the Ordinary capital of the Company, and that any such new Ordinary Shares representing fractional entitlements shall be allotted to trustees and sold on the market, and the net proceeds of sale distributed *pro rata* amongst the Members otherwise entitled to a fraction of a share.

3. THAT the Articles of Association of the Company be altered in manner following that is to say:—

(*a*) by deleting Article 72 and by substituting therefor the following new Article, namely:—

"72. On a show of hands every Member who is present in person shall have one vote. On a poll every person who is present in person or by proxy shall have one vote for every Ordinary Share and five votes for every Preference Share of which he is the holder. Provided that the Preference Shares shall on a poll entitle the holders to nine votes for every Preference Share held on a resolution for winding up the Company or for any reduction of capital involving any repayment of capital on the Preference Shares or on any resolution directly and adversely affecting the special rights and privileges attached to the Preference Shares proposed at any General Meeting and also on every resolution proposed at any General Meeting held whilst the dividend on the Preference Shares is in arrear and so that for this purpose the dividend on the Preference Shares shall be deemed to be payable half-yearly on the 30th day of June and the 31st day of December in every year."

(*b*) by deleting Article 108 and by substituting therefor the following new Article, namely:—

"108. The Board shall provide for the safe custody of the Seal, which shall not be affixed to any instrument except in the presence of at least two Directors or at least one Director and the Secretary and such Directors or Director and Secretary shall sign every instrument to which the Seal is so affixed in their presence. Provided that every certificate for shares, debentures or debenture stock shall be issued under the Seal but such certificates need not be signed or countersigned by any person."

N. L. LOWTHER,
*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Special Resolution

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 1st March, 1967*

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held at Winchester House, 77, London Wall, London, E.C.2, on Wednesday, the 1st day of March, 1967, the following Resolution was proposed and passed as a SPECIAL RESOLUTION.

RESOLUTION

THAT the share capital of the Company be reduced from £7,000,000 divided into 1,250,000 5 per cent. Cumulative Preference Shares of £1 each and 11,500,000 Ordinary Shares of 10s. each to £5,750,000 divided into 11,500,000 Ordinary Shares of 10s. each by cancelling all the 1,250,000 5 per cent. Cumulative Preference Shares of £1 each on terms that there shall be allotted credited as fully paid to the holders of the 1,208,985 issued Preference Shares so cancelled and in substitution therefor an aggregate of £1,208,985 7¼ per cent. Unsecured Loan Stock 1992/97 (to be constituted in accordance with the Particulars set out in Appendix B to the Company's Circular Letter to its members dated 6th February, 1967) in proportion to their holdings of such shares on the day preceding the cancellation thereof and that subject to and upon such reduction of capital taking effect: —

(*a*) the share capital of the Company be increased to its present amount of £7,000,000 by the creation of 2,500,000 Ordinary Shares of 10s. each; and

(*b*) the Articles of Association of the Company be altered in manner following, namely: —

(1) ARTICLE 8.—By deleting this Article and substituting therefor the following new Article: —

"8. The share capital of the Company is £7,000,000 divided into 14,000,000 Ordinary Shares of 10s. each."

(2) ARTICLE 9.—By deleting this Article.

(3) ARTICLE 12.—By deleting from the last sentence of this Article the words "Subject as hereinbefore provided in regard to the 5 per cent. Cumulative Preference Shares, the" and substituting the word "The".

(4) ARTICLE 13.—By deleting this Article.

(5) ARTICLE 30.—By deleting from this Article (relating to transfers of shares) the words "signed by both the transferor and the transferee" and substituting therefor the words "signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee".

(6) ARTICLES 32 and 35.—By deleting from Article 32 paragraph (*a*) (requiring the payment of a registration fee for transfers) and re-lettering paragraphs (*b*) and (*c*) of Article 32 as (*a*) and (*b*) respectively and by deleting Article 35 (requiring the payment of a registration fee registering probates and other documents relating to or affecting the title to shares).

(7) ARTICLE 52.—By substituting the words "by ordinary resolution" for the words "by extraordinary resolution" in this Article (relating to increases of capital).

(8) ARTICLE 72.—By deleting this Article and substituting therefor the following new Article: —

"72. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every 10s. in nominal amount of the shares of which he is the holder."

(9) ARTICLE 98.—By deleting this Article and substituting therefor the following new Article: —

"98. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiary companies, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to the aggregate of (i) the amount paid up on the issued share capital of the Company and (ii) the amounts standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and profit and loss account) all as shown by a consolidation of the then latest audited balance sheets of the Company and its subsidiaries but (*a*) adjusted in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet; (*b*) excluding any amounts set aside for taxation and any amounts attributable to outside shareholders in subsidiaries; (*c*) deducting any amounts attributable to goodwill and other intangible assets and the amount of any debit balance on the consolidated profit and loss account; and (*d*) deducting any amount distributed or proposed to be distributed

but not provided for in such consolidation out of reserves or profits included therein.

(C) For the purposes of the said limit the following provisions shall apply: —

(i) the following shall (so far as not already otherwise taken into account) be taken into account as moneys borrowed: —

(*a*) the nominal or principal amount of any share capital, debentures or money borrowed (together in each case with any fixed or minimum premium payable on final repayment) the beneficial interest whereof is not for the time being owned by and the repayment whereof is guaranteed by the Company or a subsidiary;

(*b*) the principal amount raised by the Company or by any subsidiary by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;

(*c*) the principal amount (together with any premium payable on final repayment) of any debentures of the Company or a subsidiary;

(*d*) the nominal amount of the issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by the Company or another subsidiary;

(ii) moneys borrowed by the Company or any subsidiary for the purpose of repaying the whole or any part of borrowed moneys (other than inter-company borrowings) for the time being outstanding (including any premium payable on repayment) and so applied within four months of being first borrowed shall not pending their application for such purpose be deemed to be borrowed moneys;

(iii) in the case of a subsidiary of which only part of the equity share capital is attributable to the Company, that proportion of any moneys borrowed by such subsidiary (other than from the Company or a wholly-owned subsidiary) which is equal to the proportion of the equity share capital thereof which falls to be regarded as attributable to minority shareholders shall be treated for all purposes as if the same were moneys borrowed from and owing to the Company or another subsidiary.

(D) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded."

(10) ARTICLE 146.—By deleting from this Article (relating to the circulation of copies of accounts) the words "and three copies of each of these documents shall at the same time be forwarded to the Secretary of the Share and Loan Department, The Stock Exchange, London" and substituting therefor the words "and whenever quotation of any Stock Exchange in the United Kingdom for all or any of the shares or debentures of the Company shall for the time being be in force there shall be forwarded to the appropriate offices of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice."

N. I. LOWTHER,
*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

**Holders of 5 per cent. Cumulative Preference Shares**

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 1st March, 1967*

At a SEPARATE GENERAL MEETING of the holders of the 5 per cent. Cumulative Preference Shares of the above-named Company duly convened and held at Winchester House, 77, London Wall, London, E.C.2, on Wednesday, the 1st day of March, 1967, the following Resolution was proposed and passed as an EXTRAORDINARY RESOLUTION of such holders.

## RESOLUTION

THAT consent be and is hereby given to the passing by the Company of a Special Resolution in the form of the Resolution set out in the Notice convening an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting and to all modifications or abrogations of the Special Rights attached to the 5 per cent. Cumulative Preference Shares to be effected by or involved in such Resolution.

N. I. LOWTHER,
*Secretary.*

IN THE HIGH COURT OF JUSTICE No. 00437 of 1967

CHANCERY DIVISION

*re* JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

AND

*re* THE COMPANIES ACT, 1948.

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MINUTE

*approved by the Court by Order dated the 20th March, 1967.*

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The capital of John Crossley-Carpet Trades Holdings Limited was by virtue of a Special Resolution and with the sanction of an Order of the High Court of Justice dated the 20th March, 1967 reduced from £7,000,000 divided into 1,250,000 Preference Shares of £1 each and 11,500,000 Ordinary Shares of 10s. each to £5,750,000 divided into 11,500,000 Ordinary Shares of 10s. each. At the date of the registration of this Minute 10,926,766 of the said Shares have been issued and are deemed to be fully paid up and the remaining 573,234 such Shares are unissued. The said Special Resolution contains a provision to take effect upon the said reduction of capital taking effect increasing the capital of the Company to its former amount of £7,000,000 by the creation of 2,500,000 Ordinary Shares of 10s. each.

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The above Minute, together with an Office Copy of the Order referred to therein, was delivered to the Registrar of Companies for registration on 31st March, 1967.

Shell Rubber THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Articles of Association

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*(As adopted by Special Resolution passed 10th December, 1953 and reprinted in April, 1967, to include all amendments made thereto by Special Resolutions passed up to and including 31st March, 1967.)*

## TABLE A

1. Neither the regulations in Table A in the First Schedule to the Companies Act, 1929, nor the regulations in Table A in the First Schedule to the Companies Act, 1948 shall apply to the Company. Table A not to apply.

## INTERPRETATION

2. In these presents if not inconsistent with the subject or context:— Interpretation.

The words standing in the first column of the following Table shall bear the meanings set opposite to them respectively in the second column thereof.

| WORDS | MEANINGS |
|---|---|
| The Act .. .. | The Companies Act, 1948. |
| These presents .. | These Articles of Association as now framed or as from time to time altered by special resolution. |
| The Office.. .. | The Registered Office of the Company. |
| The Seal .. .. | The Common Seal of the Company. |
| The United Kingdom | Great Britain and Northern Ireland. |

| WORDS | MEANINGS |
|---|---|
| The Board .. | The Board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present. |
| The Register .. | The Register of Members of the Company. |
| In writing .. .. | Written or produced by any substitute for writing, or partly written and partly so produced. |
| Paid up .. .. | Paid up or credited as paid up. |

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;

Words importing persons shall include corporations;

The expressions "debenture" and "debenture holder" shall include "debenture stock" and "debenture stockholder";

The expression "the Secretary" shall include a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary;

The expression "dividend" shall include "bonus";

Reference to any provision of the Act shall be construed as a reference to such provision as modified by any Statute for the time being in force.

3. Subject to the last preceding Article, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

## BUSINESS

Agreement on formation.

4. The Company was formed on the basis of the Agreement referred to in paragraph 3 (1) of the Company's Memorandum of Association and no objection to the validity of that Agreement shall be raised on the ground that the Vendors stood in a fiduciary relation to the Company or that any of the Directors of the Company accepted office at their request and that the Board was not therefore

an independent Board and the vendors shall be entitled to retain any consideration or benefit under the said Agreement and shall not be accountable for the same or any part thereof and no claim in respect thereof shall be made by the Company or any of its Members or the Liquidator thereof against the vendors on the ground that they stood in any such fiduciary relation as aforesaid or otherwise.

What business may be undertaken by the Board.

5. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall think fit, and further may be suffered by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with the same.

Registered Office

6. The Office shall be at such place in England as the Board shall from time to time appoint.

Company funds may not be used to subscribe shares in Company.

7. No part of the funds of the Company shall be employed in the subscription or purchase of or in loans upon the security of the Company's shares or those of its holding company (if any) and the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with any purchase or subscription by any person of shares in the Company or in its holding company (if any) nor make, or guarantee or provide any security in connection with, a loan to any Director of the Company or of its holding company (if any); but nothing in this Article shall prohibit transactions authorised by sections 54 or 190 of the Act.

Loan to Director.

## SHARE CAPITAL

Capital. As inserted by Special Resolution passed 1st March, 1967.

8. The share capital of the Company is £7,000,000 divided into 14,000,000 Ordinary Shares of 10/– each.

Article 9 deleted by Special Resolution passed 1st March, 1967.

Issue of shares.

10. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by resolution determine.

Redeemable preference shares.

11. Subject to the provisions of section 58 of the Act, any preference shares may, with the sanction of a special resolution, be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may by special resolution determine.

## MODIFICATION OF RIGHTS

How special class rights may be modified. As amended by Special Resolution passed 1st March, 1967.

12. Subject to the provisions of Section 72 of the Act whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate meeting of such holders (but not otherwise) be modified or abrogated and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate meeting all the provisions of these presents relating to General Meetings or to the proceedings thereat shall *mutatis mutandis* apply except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present in person or by proxy shall be a quorum) and that the holders of shares of the class shall on a poll have one vote in respect of every share of the class held by them respectively. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

Article 13 deleted by Special Resolution passed 1st March, 1967.

## SHARES

Power of Board to dispose of unissued shares.

14. Subject to the provisions of these presents, the unissued shares of the Company whether forming part of the original or any increased capital shall be at the disposal of the Board, which may allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine, but so that no shares shall be issued at a discount except in accordance with section 57 of the Act.

Powers to pay commission and brokerage.

15. The Company may exercise the powers of paying commissions conferred by section 53 of the Act, provided that the rate or amount of the commission paid or agreed to be paid and the number

of shares which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by the said section, and that such commission shall not exceed 10 per cent. of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent. of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

Exclusion of equities.

16. Except as ordered by a Court of competent jurisdiction or as by law required, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these presents or by law otherwise provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

Issue of share certificates.

17. Every person whose name is entered as a Member in the Register shall be entitled, without payment, to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares of any one class, or several certificates each for one or more of his shares of such class upon payment of such sum, not exceeding one shilling, for every certificate after the first as the Board shall from time to time determine. Provided always that when a Member has sold part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.

Replacement of share certificates.

18. If a share certificate be defaced, lost or destroyed it may be replaced on payment of such fee (if any) not exceeding one shilling and on such terms (if any) as to evidence and indemnity and payment of the out-of-pocket expenses of the Company of investigating such evidence as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

## LIEN

Company's lien on partly paid up shares.

19. The Company shall have a lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share, and

the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company, and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such Member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends payable thereon. But the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

Sale of shares subject to lien.

20. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the holder for the time being of the share or to the person entitled by reason of his death or bankruptcy to the share.

Application of proceeds of sale.

21. The net proceeds of sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares and he 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.

## CALLS ON SHARES

Calls.

22. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal amount of the shares or be payable at less than one month from the date fixed for payment of the last previous call, and each Member shall (subject to the Company giving to him at least fourteen

days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.

Call may be payable by instalments.

23. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

Liability of joint holders for calls.

24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Interest on unpaid calls.

25. If a sum called in respect of a share be not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 10 per cent. per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

Sums due by terms of issue deemed to be calls.

26. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Power to differentiate.

27. The Board may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

Payment of calls in advance.

28. The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company in general meeting shall otherwise direct) 10 per cent. per annum as may be agreed upon between the Board and the Member paying such sum in advance.

## TRANSFER OF SHARES

Form of transfer.

29. Subject to such of the restrictions of these presents as may be applicable, any Member may transfer all or any of his shares by transfer in writing in the usual common form or in any other form which the Board may approve.

Completion and effect of transfer. As amended by Special Resolution passed 1st March, 1967.

30. The instrument of transfer of a share shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of 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 in respect thereof. All instruments of transfer, when registered, shall be retained by the Company.

Power to decline registration of transfer.

31. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of shares (other than fully paid shares) to a person of whom it shall not approve. The Board may also decline to register any transfer of shares on which the Company has a lien.

Transfer fee and lodgment of transfer. As amended by Special Resolution passed 1st March, 1967.

32. The Board may also decline to recognise any instrument of transfer unless:—

(*a*) The instrument of transfer is lodged at the Office or such other place as the Board may appoint, accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(*b*) The instrument of transfer is in respect of only one class of share.

Notice of refusal to register.

33. If the Board refuses to register a transfer it shall, within two months after the date on which the transfer was lodged, send to the transferee notice of the refusal.

Closing of register.

34. The register of transfers may be closed at such times and for such period as the Board may from time to time determine provided always that it shall not be closed for more than thirty days in any year.

Article 35 deleted by Special Resolution passed 1st March, 1967.

## TRANSMISSION OF SHARES

Transmission on death.

36. In case of the death of a Member the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole holder, shall be the only persons 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 with other persons.

Registration of personal representatives, etc.

37. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.

Notice of election to be registered.

38. If the person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company a notice in writing signed by him, stating that he so elects. If he shall elect to have his nominee registered he shall testify his election by executing to his nominee a transfer of such share. All the limitations restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

Rights of unregistered personal representatives etc.

39. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member 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 the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof.

## FORFEITURE OF SHARES

Notice requiring payment of calls.

40. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any expenses which may have been incurred.

Date and place for payment.

41. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which and the place where the payment required by the notice 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 or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references herein to forfeiture shall include surrender.

Forfeiture.

42. If the requirements of any such notice as aforesaid be not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice of forfeiture.

43. When any share has been forfeited, notice of the forfeiture shall forthwith be given to the person who was, before forfeiture, the holder of the share or the person who was, before forfeiture, entitled to the share by reason of the death or bankruptcy of the holder (as the case may be); but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.

Disposal of forfeited shares.

44. A forfeited share shall be deemed to be the property of the Company and 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 Board shall think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board may think fit.

Liability of Member whose shares have been forfeited.

45. A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine, not exceeding ten per cent. per annum, from the date of forfeiture until payment.

Title to forfeited shares.

46. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the same is sold or disposed of, and he shall thereupon be registered as the holder of the share 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 irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

## STOCK

Power to convert paid up shares into stock.

47. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may reconvert any stock into paid up shares of any denomination.

Transfer of stock.

48. Subject to the provisions of the next following Article the holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit.

Minimum amount transferable.

49. The Board may in relation to any class of stock, from time to time fix the minimum amount of such stock transferable and restrict or forbid the transfer of fractions of such minimum, but the minimum shall not exceed the nominal amount of the share from which the stock arose.

Rights of stockholders.

50. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and in assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage.

Interpretation.

51. All such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" herein shall include "stock" and "stockholder".

## INCREASE OF CAPITAL

Power to increase. As amended by Special Resolution passed 1st March, 1967.

52. The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

Issue of new shares.

53. The Company may, by the resolution increasing the capital direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of section 57 of the Act) at a discount to all the ordinary shareholders for the time being in proportion to the number of ordinary shares held by them respectively or may make any other provisions as to the issue of the new shares. In default of any such direction

or so far as the same shall not extend, the new shares shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons and on such terms as it shall think fit.

Rights of new shares.

54. The new shares shall be subject to all the provisions of these presents with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise and, unless otherwise provided in accordance with these presents, shall be issued as Ordinary Shares.

## ALTERATIONS OF CAPITAL

55. The Company may from time to time by ordinary resolution:—

Power to consolidate shares.

(*a*) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

Power to sub-divide shares.

(*b*) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of section 61 (1) (*d*) of the Act), and so that the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over, or may have such qualified or deferred rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new shares.

Power to cancel shares.

(*c*) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

And may also by special resolution:—

Power to reduce capital.

(*d*) Reduce its share capital and any capital redemption reserve fund or any share premium account in any manner and with and subject to any incident authorised and consent required by law.

## GENERAL MEETINGS

Annual general meetings.

56. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and not more thar. fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

Extraordinary general meetings.

57. All general meetings other than annual general meetings shall be called extraordinary general meetings.

Convention of extraordinary general meetings.

58. The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general 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. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

## NOTICE OF GENERAL MEETINGS

Notice of general meetings.

59. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner hereinafter mentioned to such persons as are, in accordance with the provisions of these presents, entitled to receive such notices from the Company, and also to the Auditors of the Company for the time being.

Short notice.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:—

(*a*) In the case of a meeting called as the annual general meeting by all the Members entitled to attend and vote thereat; and

(*b*) In the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

In every notice calling a meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member.

Omission and non-receipt of notice.

60. The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

Special business.

61. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of the declaration and sanctioning of dividends, the consideration of the accounts and balance sheet and the reports of the Directors and Auditors, the election of Directors and Auditors and other officers in place of those retiring, the fixing of the remuneration of the Auditors and the voting of remuneration to the Directors.

Ordinary business.

Quorum.

62. No business shall be transacted at any general meeting unless a quorum be present when the meeting proceeds to business. Save as otherwise provided by these presents, two Members present in person and entitled to vote shall be a quorum for all purposes. A Corporation being a Member shall be deemed for the purpose of this Article to be personally present if represented in accordance with the provisions of section 139 of the Act.

Adjournment if no quorum.

63. If within half an hour from the time appointed for the meeting a quorum be 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, or to such other day and at such other time or place as the Chairman may determine, and the provisions of Article 65 shall apply. If at such adjourned meeting a quorum as above defined be not present within fifteen minutes from the time appointed for holding the meeting the meeting shall be dissolved.

Chairman.

64. The Chairman (if any) of the Board or, in his absence, the deputy-Chairman (if any) shall preside as Chairman at every general meeting of the Company. If there be no such Chairman or deputy-Chairman, or if at any meeting neither the Chairman nor the deputy-Chairman be present within fifteen minutes after the time appointed for holding the meeting, or if neither of them be willing to act as Chairman, the Directors present shall choose one of their number to act, or if one Director only be present he shall preside as Chairman if willing to act. If no Director be present, or if all the Directors present decline to take the chair, the Members present shall choose by show of hands one of their number to be Chairman.

Adjournments.

65. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting on resolution.

Demand for poll.

66. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll be demanded by the Chairman or by at least three Members present in person or by proxy and entitled to vote or by any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting or holding shares conferring a right to vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right. Unless a poll be so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost, and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such a resolution.

Votes counted in error.

67. If any votes shall be counted which ought not to have been counted or might have been rejected the error shall not vitiate the resolution unless it be pointed out at the same meeting and not

in that case unless it shall, in the opinion of the Chairman of the meeting, be of sufficient magnitude to vitiate the resolution.

Result of poll.

68. If a poll be duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Casting vote.

69. In case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the Chairman of such meeting shall be entitled to a second or casting vote.

Time for taking poll.

70. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place and in such manner as the Chairman directs not being more than two weeks from the date of the meeting.

Continuance of other business after demand for poll.

71. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn at any time before the next business is proceeded with.

## VOTES OF MEMBERS

Voting rights of Members. As inserted by Special Resolution passed 1st March, 1967.

72. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every 10s. in nominal amount of the shares of which he is the holder.

Joint holders.

73. In the case of joint holders of a share 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 joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register.

Corporations.

74. In accordance with section 139 of the Act a corporation being a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.

Incapacity.

75. A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction for the protection of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, *curator bonis* or other person in the nature of a committee or *curator bonis* appointed by such court, and such committee, *curator bonis* or other person may vote on a poll by proxy.

No right to vote where call unpaid.

76. No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Objections.

77. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

Voting on poll.

78. On a poll votes may be given either personally or by proxy.

Signature of proxies.

79. 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 the appointor be a corporation, either under its common seal or under the hand of an officer or attorney so authorised.

Who may be proxies.

80. A proxy need not be a Member of the Company. Any Member may appoint more than one proxy to attend on the same occasion.

Deposit of proxy.

81. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.

Form of proxy.

82. An instrument appointing a proxy may be in the usual common form or in such other form as the Board may accept and need not be witnessed. Such instrument shall unless the contrary is stated thereon be valid as well for any adjournment of the meeting as for the meeting to which it relates and shall be deemed to include the right to demand or join in demanding a poll.

Effect of death and revocation of proxy.

83. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, or the transfer of the share in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

## DIRECTORS

Number of Directors.

84. Unless and until otherwise determined by the Company in general meeting, the Directors shall be not less than six and not more than eighteen in number.

Remuneration.

85. The Directors shall be entitled to such remuneration as shall from time to time be determined by the Company in general meeting, and such remuneration shall be divided among the Directors as the Board may by resolution determine or, failing such determination, equally, except that in such event any Director holding office for less than a year shall only rank in such division in proportion to the period during which he has held office during such year The Directors shall also be entitled to be paid their reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or otherwise incurred while engaged on the business of the Company.

Expenses.

Special services.

86. Any Director who, by request, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine which shall be charged as part of the Company's ordinary working expenses.

Power of Director to hold offices of profit and to contract with Company.

87. (A) A Director of the Company may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested, and no such Director shall be accountable for any remuneration or other benefits received by him as a director or officer of or

from his interest in such other company. Subject to the provisions of Article 13 the Board may also exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the members of the Board or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company. And any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to become a director or officer of such other company and as such, or in any other manner, is or may be interested in the exercise of such voting rights in manner aforesaid.

Declaration of shareholdings.

(B) A Director holding office as Director of any other Company not being a Subsidiary Company of the Company shall declare his holding of such office to the Board. In the case of a salaried or Managing Director, he shall not hold office, whether as a Director, Manager, or otherwise, in any other Company not being a Subsidiary Company of the Company, unless he shall first have declared the nature and extent of such services and obtained the consent of the Board.

88. (A) 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 upon such terms as the Board may determine and may receive such remuneration therefor as the Board may think fit in addition to any other remuneration hereunder. Subject to the next paragraph of this Article, no Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

Declaration of interest.

(B) A Director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if his interest then exists, or in any other case at the first meeting

of the Board after he becomes so interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in all transactions with such company or firm shall be a sufficient declaration of interest under this Article, and after such general notice it shall not be necessary to give any special notice relating to any subsequent transaction with such company or firm, provided that either the notice is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

Restriction on voting.

(C) A Director shall not vote (nor be counted in the quorum) in respect of any contract or arrangement in which he is interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any arrangement for giving to any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company, nor to any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the Director has himself guaranteed or secured, nor to any contract by a Director to subscribe for or underwrite shares or debentures of the Company, nor to any contract or arrangement with a corporation in which he is interested only by reason of being a director, officer, creditor or member of such corporation, and it may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, by the Company in general meeting.

Quorum

(D) A Director, notwithstanding his interest, may be counted in the quorum present for the purpose of considering the appointment of himself or of any other Director to hold any such office or place of profit under the Company as aforesaid or of arranging the terms of any such appointment or matters relating to schemes or funds for the provision of pensions or other retirement benefits for employees of the Company in which he may be interested and he may vote on any such appointment or arrangement (other than his own appointment or the arrangement of the terms thereof) and on such matters.

(E) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor), and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

Qualification.

89. The qualification of a Director shall be the holding alone, and not jointly with any other person, of shares of the Company of any class or classes of the nominal amount of £100. A Director may act before obtaining his qualification but, if not already qualified,

shall obtain such qualification within two months after his appointment, and in default his office shall be vacated. If at any time after the expiration of such two months a Director shall cease to hold his qualification, his office shall be vacated. A person vacating office under this Article shall be incapable of being reappointed a Director until he shall have obtained his qualification.

Vacation of office of Director.

90. The office of a Director shall be vacated in any of the events following, namely:—

(*a*) If (not being an Executive Director holding office for a fixed term) he resign his office by writing under his hand left at the Office.

(*b*) If he be found or become of unsound mind or become bankrupt or compound with his creditors.

(*c*) If, without leave, he be absent, otherwise than on the business of the Company, from meetings of the Board for six consecutive months, and the Board resolve that his office be vacated.

(*d*) If he be prohibited from being a Director by reason of any order made under section 188 of the Act.

(*e*) If he be removed from office pursuant to section 184 of the Act.

(*f*) If he vacates office pursuant to the provisions of Article 89 or of Article 91.

Vacation at 65 years.

91. A Director shall vacate his office at the conclusion of the Annual General Meeting commencing next after he shall have attained the age of 65 years, unless a Resolution shall be passed at such Meeting extending his appointment for a maximum period of 5 years, and on the expiration of such extended period he shall not be capable of re-election. Provided that acts done by a person as Director shall be valid notwithstanding that it is afterwards discovered that his appointment had terminated by virtue of this Article. Where a Director vacates office under this Article the provisions of Article 110 will not apply and if at the Meeting at which he retires the vacancy is not filled under Article 112, Article 115 shall not apply but the vacancy may be filled as a casual vacancy under Article 117.

## POWERS AND DUTIES OF DIRECTORS

Powers of Board.

92. The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are

not by the Act or by these presents required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these presents and of the Act and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

Subsidiary companies.

93. The Board may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on as or through one or more subsidiary companies and the Board may on behalf of the Company make such arrangements as the Board think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing assisting or subsidizing any such subsidiary company or guaranteeing its contracts obligations or liabilities and the Board may appoint remove and re-appoint any persons (whether a Director of the Company or not) to act as Directors Managing Directors or Managers of any such company or any other company in which the Company may be interested and may determine the remuneration (whether by way of salary commission on profits or otherwise) of any persons so appointed and any Directors of the Company may retain any remuneration so payable to them.

Local boards.

94. The Board may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Appointment of attorney.

95. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in

or exercisable by the Board under these presents) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Official Seal.

96. The Company may exercise the powers conferred by section 35 of the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Board.

Dominion Register.

97. The Company may exercise the powers conferred by sections 119 to 122 of the Act with regard to the keeping of a Dominion Register, and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any such Register.

Borrowing powers. As inserted by Special Resolution passed 1st March, 1967.

98. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiary companies, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to the aggregate of (i) the amount paid up on the issued share capital of the Company and (ii) the amounts standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and profit and loss account) all as shown by a consolidation of the then latest audited balance sheets of the Company and its subsidiaries but (*a*) adjusted in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet; (*b*) excluding any amounts set aside for taxation and any amounts attributable to outside shareholders in

subsidiaries; (*c*) deducting any amounts attributable to goodwill and other intangible assets and the amount of any debit balance on the consolidated profit and loss account; and (*d*) deducting any amount distributed or proposed to be distributed but not provided for in such consolidation out of reserves or profits included therein.

(c) For the purposes of the said limit the following provisions shall apply:—

(i) the following shall (so far as not already otherwise taken into account) be taken into account as moneys borrowed:—

(*a*) the nominal or principal amount of any share capital, debentures or money borrowed (together in each case with any fixed or minimum premium payable on final repayment) the beneficial interest whereof is not for the time being owned by and the repayment whereof is guaranteed by the Company or a subsidiary;

(*b*) the principal amount raised by the Company or by any subsidiary by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;

(*c*) the principal amount (together with any premium payable on final repayment) of any debentures of the Company or a subsidiary;

(*d*) the nominal amount of the issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by the Company or another subsidiary;

(ii) moneys borrowed by the Company or any subsidiary for the purpose of repaying the whole or any part of borrowed moneys (other than inter-company borrowings) for the time being outstanding (including any premium payable on repayment) and so applied within four months of being first borrowed shall not pending their application for such purpose be deemed to be borrowed moneys;

(iii) in the case of a subsidiary of which only part of the equity share capital is attributable to the Company, that proportion of any moneys borrowed by such subsidiary (other than from the Company or a wholly-owned subsidiary) which is equal to the proportion of the equity share capital thereof which falls to be regarded as attributable

to minority shareholders shall be treated for all purposes as if the same were moneys borrowed from and owing to the Company or another subsidiary.

(D) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded.

Signature of cheques and bills.

99. All cheques, promissory notes, drafts, bills of exchange and other negotiable and transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

Board minutes.

100. The Board shall cause minutes to be made in books provided for the purpose:—

(*a*) Of all appointments of officers made by the Board.

(*b*) Of the names of the Directors present at each Board or Committee meeting.

(*c*) Of all resolutions and proceedings at all meetings of the Company and of the Board and of the Committees.

Register of Directors' shareholdings.

101. The Board shall cause to be kept the register of the Directors' holdings of shares and debentures required by section 195 of the Act, and shall render the same available for inspection during the period and by the persons prescribed, and produce the same at every annual general meeting as required by that section.

## MANAGING DIRECTOR

Managing Director.

102. The Board may from time to time appoint one or more of its body to the office of Managing Director or Assistant Managing Director for such period and upon such terms as it thinks fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. Any such appointment shall (without prejudice to any claim the appointee may have for damages for breach of any contract of service between him and the Company) *ipso facto* determine if he cease from any cause to be a Director.

Remuneration of Managing Director.

103. A Managing Director or Assistant Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

Powers of Managing Director.

104. The Board may entrust to and confer upon a Managing Director or Assistant Managing Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with or to the exclusion of its own powers, and may from time to time (subject to the terms of any agreement entered into in any particular case) revoke, withdraw, alter or vary all or any of such powers.

## SECRETARY

Secretary.

105. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

106. A provision of the Act or these presents requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## PENSIONS AND ALLOWANCES

Pensions.

107. Without in any way limiting or restricting the general powers of the Board to grant pensions, allowances or other similar payments to officers or ex-officers, employees or ex-employees of the Company, or the relatives or dependants of any such persons, it is hereby expressly declared that the Board may, upon any person who was or is for the time being a Director of the Company ceasing for any cause to hold some other office or place of profit (including that of Managing Director) previously held by him under the Company, make such grants or pay such pension or other retiring or similar allowance to such person or his relatives or dependants as the Board may think fit, and it shall be no objection to any such grant or payment that such person may remain an ordinary Director of the Company entitled to participate in the remuneration payable to the Directors. Any such grant, pension or other allowance may be made payable for such period and upon such terms and conditions as the Board in its discretion may from time to time determine, but shall only be made in respect of some office, place of profit or services other than service as an ordinary Director and any such

Director qualifying under this Article for the receipt of a pension may be included in any approved Superannuation Scheme which is for the time being administered by the Company.

## THE SEAL

Seal. As amended by Special Resolution passed 28th April, 1966.

108. The Board shall provide for the safe custody of the Seal, which shall not be affixed to any instrument except in the presence of at least two Directors or at least one Director and the Secretary and such Directors or Director and Secretary shall sign every instrument to which the Seal is so affixed in their presence. Provided that every certificate for shares, debentures or debenture stock shall be issued under the Seal but such certificates need not be signed or countersigned by any person.

Share certificates.

## ROTATION OF DIRECTORS

Retirement of Directors.

109. At every annual general meeting one-third of the Directors for the time being or if their number be not a multiple of three the number nearest to but not exceeding one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

Which Directors to retire.

110. The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Re-election.

111. A retiring Director shall, subject to the provisions of section 185 of the Act and of Article 91, be eligible for re-election.

Resolution not to fill vacancy.

112. The Company at the meeting at which a Director retires in manner aforesaid shall fill up the vacated office by electing a person thereto unless at such meeting it be expressly resolved not to fill up such vacated office. The Company may also in general meeting (subject to the provisions of Article 114) elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents.

Additional Directors.

Election by Separate Resolution.

113. Except as otherwise authorised by section 183 of the Act, the election or appointment of any person proposed as a Director shall be effected by a separate resolution, and a single resolution purporting to elect or appoint two or more persons to be Directors shall be ineffective and void.

Eligibility for election.

114. No person, other than a Director retiring at the meeting, shall, unless recommended by the Board, be eligible for election to the office of a Director at any general meeting unless, not less than three and not more than twenty-one clear days 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.

Re-election by default.

115. If at any meeting at which an election of Directors ought to take place the place of any retiring Director be not filled up such Director, if offering himself for re-election, shall be deemed to have been re-elected unless at such meeting it be expressly resolved not to fill up such place or unless either a motion that he be not re-elected is carried or a motion that he be re-elected is put to the meeting and defeated.

Increase and reduction of number of Directors.

116. The Company in general meeting may from time to time increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office.

Power of Board to fill casual vacancy and to appoint additional Directors.

117. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these presents to appoint any person to be a Director, the Board shall have power at any time and from time to time to appoint any person (subject to the provisions of section 185 of the Act and of Article 91) to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Removal of Directors.

118. The Company may by extraordinary resolution, or (subject to the provisions of section 184 of the Act) by ordinary resolution of which special notice has been given in accordance with section 142 of the Act, remove any Director before the expiration of his period of office and may (subject to Article 114 or to the said provisions as the case may be) by an ordinary resolution appoint another person in his stead. 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 a Director.

## PROCEEDINGS OF THE BOARD

Board meetings.

119. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may and the Secretary on the requisition of a Director shall at any time summon a Board meeting. In the event of any such requisition 3 days' notice at least (inclusive of the day on which the notice was served or deemed to have been served and of the day for which the notice is given) specifying the place, date and hour of the meeting and the general nature of the business to be transacted shall be given to each Director for the time being. It shall not be necessary to give notice of a Board meeting to any Director for the time being absent from the United Kingdom.

Quorum.

120. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two.

Powers of continuing Directors.

121. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number be reduced below the minimum number fixed by or in accordance with these presents the continuing Directors may act for the purpose of filling up vacancies in their body or of summoning general meetings of the Company but not for any other purpose, and may act for either of the purposes aforesaid whether or not their number be reduced below the number fixed by or in accordance with these presents as the quorum.

Chairman of Board.

122. The Board may elect a Chairman and deputy-Chairman of its meetings and determine the period for which they are respectively to hold office. If no such Chairman or deputy-Chairman be elected, or if at any meeting neither the Chairman nor the deputy-Chairman be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

Powers of meetings at which a quorum is present.

123. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board.

Committees.

124. The Board may delegate any of its powers to committees, whether consisting of a member or members of its body or not, as it thinks 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 Board.

Committee meetings.

125. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.

Resolution signed by all Directors.

126. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Board or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board, or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned.

Effect of defect in appointment of director.

127. All acts done by any Board or committee or by any person acting as a Director, 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 or had vacated office, shall be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director.

## DIVIDENDS

Payment of dividends.

128. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

Restriction on dividends.

129. No dividend shall be payable except out of the profits of the Company or in excess of the amount recommended by the Board.

Preacquisition profits.

130. Where any asset business or property is bought by the Company as from a past date the actual profit or loss as the case may be so accruing as from such date may at the discretion of the Board but subject to the provisions of the Act be credited or debited wholly or in part to revenue account or otherwise dealt with as if the same were a profit or loss arising from the business of the Company.

Apportionment of dividends.

131. All dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall

be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share be issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Interim dividends.

132. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the position of the Company; the Board may also pay the fixed dividend payable on any preference shares of the Company half-yearly or otherwise on fixed dates, whenever such position, in the opinion of the Board, justifies that course.

Deductions from dividends.

133. The Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

No interest on dividends.

134. No dividend shall bear interest against the Company.

Retention of dividends.

135. The Board may retain any dividends or bonuses payable on shares on which the Company has a lien and may apply the same in or towards satisfaction of the debts liabilities or engagements in respect of which the lien exists.

Failure to register under transmission Articles.

136. The Board may retain the dividends and bonuses payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.

Dividends may be paid by cheque.

137. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first on the Register in respect of the shares. Every such cheque or warrant shall, unless the holder otherwise directs, be made payable to the order of the registered holder, or in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares and shall be sent at his or their risk. Any one or two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by such joint holders.

Distribution in specie.

138. Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may fix the value for distribution of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution.

## RESERVES

Reserves.

139. The Board may before recommending any dividend set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to divide.

Share premium account.

140. The Board shall transfer to share premium account as required by section 56 of the Act sums equal to the amount or value of any premiums at which shares of the Company may be issued, and, subject to the provisions of the said section, the provisions of these presents relating to reserves shall be applicable to the sums for the time being standing to the credit of share premium account.

## CAPITALISATION OF PROFITS

Capitalisation of reserves.

141. The Company in general meeting may at any time and from time to time pass a resolution to the effect that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserves or to the credit of the profit and loss account or otherwise available for distribution and not required for the payment of the accrued fixed dividends on any preference shares of the Company and accordingly that such sum be set free for distribution among the Members holding ordinary shares in proportion to the amounts paid up on the issued ordinary shares held by them respectively, on the footing that the same be not paid

in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members or partly in one way and partly in the other, and the Board shall give effect to such resolution. Provided that a share premium account and a capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid.

Fractions.

142. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract requisite or convenient for giving effect thereto and such appointment shall be effective and binding upon the Members.

## ACCOUNTS

Accounts.

143. The Board shall cause true accounts complying with section 147 of the Act to be kept:—

(*a*) Of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place; and

(*b*) Of all sales and purchases of goods by the Company; and

(*c*) Of the assets and liabilities of the Company.

Inspection of accounts.

144. The books of account shall be kept at the Office or, subject to section 147 (3) of the Act, at such other place or places as the Board may think fit and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board.

Balance sheet and profit and loss account.

145. The Board shall from time to time, in accordance with sections 148, 150 and 157 of the Act, cause to be prepared and to be

laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

Distribution of reports and accounts. As amended by Special Resolution passed 1st March, 1967.

146. A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall not be less than twenty-one days before the date of the meeting be sent to every Member and to every holder of debentures of the Company and whenever quotation of any Stock Exchange in the United Kingdom for all or any of the shares or debentures of the Company shall for the time being be in force there shall be forwarded to the appropriate offices of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice. Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

## AUDIT

Auditors.

147. Auditors shall be appointed and their duties regulated in accordance with sections 159 to 162 of the Act.

## NOTICES

Service of notices.

148. Any notice or other document may be served by the Company on 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. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

Members outside United Kingdom.

149. Any Member described in the Register by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid no Member other than a Member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.

Proof of service.

150. Any notice or other document, if served by post, shall be deemed to have been served at the time when the same was put into the post office, and in proving such service it shall be sufficient

to prove that the notice or document was properly addressed, stamped and put into the post office.

Death and bankruptcy.

151. Any notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service of the notice or document, have been removed from the Register as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

## WINDING-UP

Division in specie on winding up.

152. If the Company shall be wound up the Liquidator may, with the sanction of an extraordinary resolution of the members, divide among the members in specie or kind the whole or any part of the assets of the Company and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the Liquidator, with the like sanction, shall think fit.

## INDEMNITY

Indemnity of Directors.

153. Every Director, Managing Director, Manager, Officer and Auditor of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, Managing Director, Manager, Officer or Auditor 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 488 of the Act in which relief is granted to him by the Court.

*COMPANY LIMITED BY SHARES*

# Memorandum

AND

# Articles of Association

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*New Articles of Association as adopted by Special Resolution passed 10th December, 1953 and reprinted in April, 1967 to include all amendments made thereto by Special Resolutions subsequently passed up to and including 31st March, 1967.*

*Incorporated the 27th day of January, 1936.*

LINKLATERS & PAINES,
BARRINGTON HOUSE,
59-67, GRESHAM STREET,
LONDON, E.C.2.

1492 BURRUP, MATHIESON & CO., LTD., LONDON, S.E.1.
S18497P/MP

No. 309779

/204

THE COMPANIES ACTS 1929 TO 1967

*COMPANY LIMITED BY SHARES*

# Special Resolution

OF

# CARPETS INTERNATIONAL LIMITED

(*Passed* 11*th January* 1977)

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held on the 11th day of January, 1977 the following Resolution was passed as a SPECIAL RESOLUTION:—

RESOLUTION

"THAT the Articles of Association of the Company be altered by inserting in the twelfth line of paragraph (B) of Article 98 providing for a limit on Group borrowings after the words "an amount equal to" the words "one and one half times".

COMPANIES REGISTRATION AGENCY 21 JAN 1977

N. V. GRIMSHAW,
*Secretary.*

B., M. & CO., LTD. S230725/w

LINKLATERS & PAINES
BARRINGTON HOUSE,
59-67, GRESHAM STREET,
LONDON EC2V 7JA
TEL. 01-606 7080

Filed pursuant to Section 9, European Communities Act 1972.

Linklaters · Paines

31.1.1977.

No. 309779 / 205

Stock Exchg.

CARPETS (Amdt.)

SHARE CAP. £11,250,000

£4,500,000

RES. PASSED

5 Apl 72

*COMPANY LIMITED BY SHARES*

# Memorandum

AND

# Articles of Association

OF

CARPETS INTERNATIONAL LIMITED

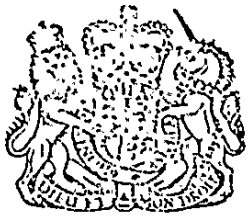
*New Articles of Association as adopted by Special Resolution passed 10th December, 1953 and reprinted in April, 1967 to include all amendments made thereto by Special Resolutions subsequently passed up to and including 31st March, 1967.*

COMPANIES REGISTRATION OFFICE 1 FEB 1977

*Incorporated the 27th day of January, 1936.*

LINKLATERS & PAINES,

BARRINGTON HOUSE



# CERTIFICATE OF INCORPORATION

# ON CHANGE OF NAME

No. 309779

Whereas

JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

was incorporated as a limited company under the
COMPANIES ACT, 1929,

on the 27TH JANUARY, 1936

And whereas by special resolution of the Company and with the approval of the Board of Trade it has changed its name

Now therefore I hereby certify that the Company is a limited company incorporated under the name of

CARPETS INTERNATIONAL LIMITED

Given under my hand at London the 10TH APRIL, 1969.

*Assistant Registrar of Companies*

C.172

No. 309779

THE COMPANIES ACTS 1929 TO 1967

*COMPANY LIMITED BY SHARES*

# Special Resolution

OF

# CARPETS INTERNATIONAL LIMITED

(*Passed* 11*th January* 1977)

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held on the 11th day of January, 1977 the following Resolution was passed as a SPECIAL RESOLUTION: —

RESOLUTION

"THAT the Articles of Association of the Company be altered by inserting in the twelfth line of paragraph (B) of Article 98 providing for a limit on Group borrowings after the words "an amount equal to" the words "one and one half times".

N. V. GRIMSHAW,
*Secretary.*

B., M. & CO., LTD. S230725/w

No. 309779

The Companies Acts 1929 to 1967

COMPANY LIMITED BY SHARES

RESOLUTION

of

CARPETS INTERNATIONAL LIMITED

Passed 6th February, 1976

AT an EXTRAORDINARY GENERAL MEETING of the Company held on Friday, the 6th day of February, 1976 the following Resolution was duly passed as an ORDINARY RESOLUTION :-

ORDINARY RESOLUTION

THAT the authorised share capital of the Company be hereby increased from £11,250,000 to £14,500,000 by the creation of an additional 6,500,000 Ordinary Shares of 50p each.

N. V. GRIMSHAW

Secretary

No. 309779

CARPETS INTERNATIONAL LIMITED

ORDINARY RESOLUTION

Passed 29th May, 1974

---

At the Annual General Meeting of the Company duly convened and held on 29th May, 1974, the following Resolution was duly passed as an Ordinary Resolution :-

RESOLUTION

"That the Capital of the Company be increased from £10,250,000 to £11,250,000 by the creation of an additional 2,000,000 Ordinary Shares of 50p each."

N. V. GRIMSHAW
Secretary

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

---

At an EXTRAORDINARY GENERAL MEETING of the above-named Company, duly convened, and held on 9th April, 1969, the following Resolution was duly passed as a SPECIAL RESOLUTION:—

## RESOLUTION

THAT upon and subject to the Offer made by the Company to acquire the whole of the issued Ordinary Shares of The Carpet Manufacturing Company Limited becoming unconditional as regards acceptances:—

(*a*) that the name of the Company be changed from JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED to CARPETS INTERNATIONAL LIMITED;

(*b*) that for the purpose of acquiring not less than 90 per cent. of the issued share capital of The Carpet Manufacturing Company Limited the share capital of the Company be increased from £7,000,000 to £10,020,275 10s. by the creation of an additional 6,040,551 Ordinary Shares of 10s. each; and

(*c*) that the share capital of the Company be further increased from £10,020,275 10s. to £10,250,000 by the creation of an additional 459,449 Ordinary Shares of 10s. each.

N. V. GRIMSHAW

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No. 309779

# Certificate of Incorporation

I Hereby Certify that JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED (originally called CARPET TRADES LIMITED which name was changed by Special Resolution and with the Authority of the Board of Trade on the Fourteenth day of December, One thousand nine hundred and fifty-three) was Incorporated under the Companies Act, 1929 as a LIMITED Company, on the Twenty-seventh day of January, One thousand nine hundred and thirty-six.

GIVEN under my hand at London, this Fourteenth day of December, One thousand nine hundred and fifty-three.

W. B. LANGFORD,
*Registrar of Companies.*

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W. B. LANGFORD,
*Registrar of Companies.*

INDISTINCT ORIGINAL

THE COMPANIES ACT, 1929

*COMPANY LIMITED BY SHARES*

# Memorandum of Association

Note:- The name of the Company was changed (i) on 14th December, 1953, to JOHN CROSSLEY-CARPET TRADES LIMITED pursuant to Special Resolution dated 10th December, 1953 and (ii) on 10th April 1969, to "CARPETS INTERNATIONAL LIMITED" pursuant to Special Resolution dated 9th April, 1969.

CARPETS INTERNATIONAL LIMITED

1. The name of the Company is "CARPET TRADES LIMITED".

2. The registered office of the Company will be situate in England.

3. The objects for which the Company is formed are:—

(1) To purchase or otherwise acquire the goodwill of the business of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto heretofore carried on by C.X.T. Limited (formerly Carpet Trades Limited and now in voluntary liquidation) and all or any part or parts of the assets of the said Company and to take over and undertake all or any of the liabilities of the said business and Company upon such terms as shall be thought fit and for that purpose to enter into and carry into effect with or without modification an Agreement expressed to be made between C.X.T. Limited (now in voluntary liquidation) of the first part John Benjamin Hill the Liquidator of C.X.T. Limited of the second part and this Company of the third part and to carry on and develop the said business.

M183

INDISTINCT ORIGINAL

(2) To carry on all or any of the businesses of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto spinners doublers or twisters of cotton flax hemp jute wool and wool derivatives and other fibrous substances bleachers dyers makers and dealers in bleaching and dyeing materials; to buy sell sort comb card prepare weave felt or otherwise manufacture dye finish and otherwise deal with and deal in in the raw manufactured or semi-manufactured state wool and wool derivatives cotton flax hemp jute silk and other fibrous substances and other goods and fabrics of all kinds and to subscribe for acquire and hold share stocks or securities of companies whose objects include the carrying on of all or any such businesses as aforesaid.

(3) To carry on the business of mechanical engineers iron founders and manufacturers of machinery of all kinds tool makers brass founders metal workers boiler makers millwrights machinists iron and steel converters smiths woodworkers builders painters metallurgists electrical and water engineers gas makers and merchants and to buy sell manufacture repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the manufacturing or engineering business of the Company or any contract undertaken by the Company and either for the purpose only of such contract or of any independent business.

(4) To construct execute carry out improve work develop administer manage or control public or private works or conveniences of all kinds including railways tramways roads canals docks reservoirs embankments markets sewerage or drainage water gas electric light hydraulic irrigation and other works and to lay out land for building and to construct and maintain roads or streets and to erect work or operate or advance money for the purpose of erecting working or operating dwellinghouses warehouses hotels shops stores factories mills and every other description of buildings.



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(5) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company.

(6) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business similar analogous or subsidiary to any of the objects of the Company.

(7) To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any branch or business so carried on or for financing any such subsidiary company or a company which is directly or indirectly controlled by this Company or in which this Company holds a substantial interest or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business and to act as directors or managers of or to appoint directors or managers of any such subsidiary company or of any other company in which this Company is interested.

(8) To purchase lease or otherwise acquire and build upon any land and to alter enlarge rebuild or otherwise improve any buildings or other property from time to time belonging to the Company or in which the Company may be interested.

(9) To buy or otherwise acquire underwrite issue hold place sell lend money on the security of or otherwise deal with stocks shares bonds debentures and securities of all kinds and to give any guaranty or security in relation thereto or otherwise in connection with any stocks shares bonds debentures or securities.

(10) To purchase or by any other means acquire and protect prolong and renew in the United Kingdom or in any part of the world any patents patent rights brevets d'invention licences protections and concessions which may appear likely to be advantageous or useful to the

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Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend money in experimenting upon and testing and in improving or seeking to improve any patents inventions or rights which the Company may acquire or propose to acquire.

(11) To pay for any property acquired by the Company in shares stock profit-sharing certificates bonds debentures debenture stock or obligations of the Company whether fully or partly paid.

(12) To borrow raise or secure the repayment of money by debentures debenture stock bonds or other obligations and securities of the Company which may be secured upon all or any part of the property of the Company (both present and future) including its uncalled capital or by receiving moneys on loan or deposit at interest or otherwise or in such manner and on such terms as may seem expedient.

(13) To guarantee or become liable for the payment of money or for the performance of any obligations also to transact all kinds of agency business.

(14) To grant pensions allowances gratuities and bonuses to persons who are or have at any time been employed by or trading with the Company or any predecessor of the Company in business or to the wives widows families relatives or dependants of any such persons and to support and subscribe to any schools and any educational scientific literary religious or charitable institution or trade societies whether such societies be solely connected with the trade carried on by the Company or not and any club or other establishment calculated to advance the interests of the Company or of any such persons as aforesaid.

(15) To make accept endorse discount issue and execute promissory notes bills of exchange and other negotiable instruments.

(16) To invest lend or deal with the moneys of the Company not immediately required upon such securities or investments (not being shares of the Company) or in such manner as may from time to time be determined.

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(17) To enter into partnership or any joint purse arrangement or any arrangement for sharing profits union of interests or co-operation with any company firm or person carrying on or proposing to carry on any business within the objects of this Company and to acquire and hold shares stock or securities of any such company and to lend money to guarantee the contract of or otherwise assist any such company firm or person.

(18) To establish or promote subsidise and assist or concur in establishing or promoting subsidising and assisting any other companies syndicates and partnerships British or foreign whose objects shall include the acquisition and taking over of all or any of the assets rights and liabilities of or shall be considered in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire hold and deal in and with the shares stock or securities of and guarantee the payment of any securities issued by or any other obligation of any such company or the payment of dividends on the shares or stocks of any such company.

(19) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) or any corporations companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government authority corporation company or person any charters contracts decrees rights privileges and concessions which the Company may think desirable and to carry out exercise and comply with any such charters contracts decrees rights privileges and concessions.

(20) To promote any bills in Parliament for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in its constitution or furthering the interests of its Members and to support or oppose any bills in Parliament promoted by others.

(21) To amalgamate with any other company whose objects are or include objects similar to any of those of this Company whether by sale or purchase (for shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any

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such other company as aforesaid or by partnership or any arrangement of the nature of partnership or in any other manner.

(22) To sell exchange let on rent royalty tribute share of profits or otherwise grant licences easements and other rights of and over and in any other manner deal with turn to account or dispose of the undertaking and all or any of the property assets rights and effects for the time being of the Company for such consideration as may be thought fit and in particular wholly or partly for shares stocks debentures or securities or obligations of any other company or of any authority (supreme municipal local or otherwise).

(23) To distribute among the Members or any class of Members *in specie* any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(24) To pay all or any part of the expenses of and incident to the formation and establishment of this Company and to remunerate any parties for sevices rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures debenture stock or other securities of the Company or in about the conduct of the Company's business.

(25) To do all or any of the above things in any part of the world and either as principals or agents and either through agents trustees or otherwise and either alone or in conjunction with others.

(26) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

Provided that nothing herein contained shall empower the Company to carry on the business of assurance or to grant annuities within the meaning of the Assurance Companies Act, 1909, as extended by the Industrial Assurance Act, 1923, or the Road Traffic Acts, 1930 to 1934, or to re-insure any risks under any class of assurance business to which those Acts apply.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere and that the objects specified in the different paragraphs of this clause shall except where otherwise expressed in such paragraphs be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

4. The liability of the Members is limited.

5. The share capital of the Company is *£500,000 divided into 1,000,000 shares of 10s. each.

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*From time to time the share capital has been increased and by Special Resolution passed 1st March,1967 was reduced and as appears from the Minute approved by the Court by Order dated 20th March, 1967 confirming such reduction of capital, an Office Copy of which was delivered to the Registrar of Companies for registration on 31st March, 1967, the share capital of the Company on that date was £7,000,000 divided into 14,000,000 Ordinary Shares of 10s. each.

Since that date the share capital has been increased from time to time by Special and Ordinary Resolutions up to and including 6th February 1976 and on that latter date was £14,500,000 divided into 29,000,000 Ordinary shares of 50p. each

INDISTINCT ORIGINAL

WE the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS | Number of Shares taken by each Subscriber |
|---|---|
| WILLIAM LAURIE WILSON,<br>Bellmans, Mounthill Avenue,<br>Chelmsford,<br>Essex.<br>*Statistician.* | One Ordinary |
| SIDNEY GEORGE TIERNEY,<br>18, Brunswick Place,<br>Hove,<br>Sussex.<br>*Accountant.* | One Ordinary |
| ALFRED ERNEST McNEALL,<br>Cranleigh, Brancaster Lane,<br>Purley,<br>Surrey.<br>*Clerk.* | One Ordinary |
| PETER WILLIAMSON,<br>19, Westmont Road,<br>Esher,<br>Surrey.<br>*Clerk.* | One Ordinary |
| ANDREW HARROWER PEARSON,<br>4, Westhall Road,<br>Kew Gardens, Richmond,<br>Surrey.<br>*Clerk.* | One Ordinary |
| HERBERT SYDNEY CUMING,<br>11, Hill View Gardens,<br>Hendon,<br>N.W.4.<br>*Bank Official.* | One Ordinary |

INDISTINCT ORIGINAL

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS | Number of Shares taken by each Subscriber |
|---|---|
| VALENTINE THOMAS BARKER,<br>99, Falmouth Avenue,<br>Highams Park,<br>London, E.4.<br>*Bank Cashier.* | One Ordinary |

DATED the 21st day of January, 1936.

WITNESS to the above Signatures:—

P. M. HARVEY,
Fairlight, Castle Lane,
Hadleigh,
Essex.
*Clerk.*

INDISTINCT ORIGINAL

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS | Number of Shares taken by each Subscriber |
|---|---|
| VALENTINE THOMAS BARKER,<br>99, Falmouth Avenue,<br>Highams Park,<br>London, E.4.<br>*Bank Cashier.* | One Ordinary |

DATED the 21st day of January, 1936.

WITNESS to the above Signatures:—

P. M. HARVEY,
Fairlight, Castle Lane,
Hadleigh,
Essex.
*Clerk.*

INDISTINCT ORIGINAL

| Number of Shares taken by each Subscriber |
| --- |
| One Ordinary |

Essex.

No. 309779

# CARPET TRADES LIMITED

## Special Resolutions

*Passed 10th December, 1953*

At an EXTRAORDINARY GENERAL MEETING of CARPET TRADES LIMITED, duly convened, and held on the 10th day of December, 1953, the following Resolutions were duly passed as SPECIAL RESOLUTIONS:—

RESOLUTIONS

1. THAT the name of the Company be changed to "JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED".

2. THAT is it desirable to transfer to a subsidiary company incorporated for the purpose the undertaking and assets of the Company (other than such part of the cash resources as the Directors may determine) subject to the liabilities of the Company and that the two Agreements in relation thereto produced to this meeting and signed for identification by Slaughter and May be and are hereby approved, and that the Directors be and they are hereby authorised and directed to enter into the said Agreements (with or without modification) in due order and carry the same into effect.

3. THAT with a view to the acquisition of the whole of the issued Preference and Ordinary Stock in the capital of John Crossley & Sons, Limited, the Share Capital of the Company be increased to £2,500,000 by the creation of 750,000 5 per cent. Cumulative Preference Shares of £1 each and 1,500,000 Ordinary Shares of 10s. each.

4. THAT the regulations contained in the printed document submitted to the meeting and for the purpose of identification subscribed by the Chairman thereof be and they are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles thereof.

J. B. HILL,
*Secretary.*

No. 309779

# CARPET TRADES LIMITED

## Extraordinary Resolution

OF

### PREFERENCE SHAREHOLDERS

*Passed 10th December, 1953*

At a SEPARATE CLASS MEETING of the holders of the 5 per cent. Cumulative Preference Shares of CARPET TRADES LIMITED, duly convened, and held on the 10th day of December, 1953, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

RESOLUTION

THAT this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in Carpet Trades Limited convened pursuant to Article 8 of the Articles of Association of the Company hereby consents (i) to the issue by the Company of not exceeding 593,985 5 per cent. Cumulative Preference Shares in exchange for 5 per cent. Cumulative Preference Stock of John Crossley & Sons, Limited, on a par for par basis in accordance with the terms of the Offer made by the Company to the holders of the 5 per cent. Cumulative Preference Stock and Ordinary Stock of John Crossley & Sons, Limited, dated the 11th November, 1953, notwithstanding that thereby the total amount of the issued 5 per cent. Cumulative Preference Shares may exceed 50 per cent. of the total issued share capital of the Company, and (ii) to any and all modifications of the rights attached to the said Preference Shares which may arise in consequence of the adoption of new Articles of Association in the form this day submitted to and approved by an Extraordinary General Meeting of the Company.

J. B. HILL,

*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 16th November, 1954*

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 16th November, 1954, the following Resolutions were duly passed, the third as a SPECIAL RESOLUTION:—

## RESOLUTIONS

1. THAT the capital of the Company be increased to £3,500,000 by the creation of 2,000,000 Ordinary Shares of 10s. each.

2. THAT it is desirable to capitalise the sum of £883,390 being as to £784,667 10s. 0d. the amount standing to the credit of Share Premium Account and as to £98,722 10s. 0d. part of the amount standing to the credit of the Capital Reserve and, accordingly, that such sum be set free for distribution among the Members holding Ordinary Shares registered at the close of business on 5th November, 1954, in proportion to the amounts paid up on the issued Ordinary Shares held by them respectively, on the footing that the same be not paid in cash but be applied in paying up in full 1,766,780 unissued Ordinary Shares of 10s. each in the Company and that such Ordinary Shares be allotted and distributed credited as fully paid up among such Members in the proportion of one new Ordinary Share for each Ordinary Share held at the close of business on 5th November, 1954.

3. THAT Article 72 of the Articles of Association of the Company be altered in manner following:—

(*a*) by deleting the second sentence thereof and substituting the following therefor:—

"On a poll every Member who is present in person or by proxy shall have one vote for every Ordinary Share and two votes for every Preference Share of which he is the holder."

(*b*) by deleting the word "two" at the end of line five thereof and substituting the word "four" therefor.

For and behalf of
JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED,
T. V. LAYCOCK,
*Secretary*.

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No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

PREFERENCE SHAREHOLDERS

IN

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 16th November, 1954*

At a Separate Meeting of the holders of the Preference Shares in JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on the 16th November, 1954 the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

## RESOLUTION

THAT this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in John Crossley-Carpet Trades Holdings Limited hereby consents to any and all modification of the rights attached to the said Preference Shares to be effected by or involved in the alterations to Article 72 of the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting.

For and behalf of
JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED.
T. V. LAYCOCK,
*Secretary.*

INDISTINCT ORIGINAL

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 18th August, 1959*

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 18th August, 1959, the following Resolutions were duly passed, the third as a SPECIAL RESOLUTION:—

## RESOLUTIONS

1. THAT the capital of the Company be increased to £5,000,000 by the creation of 3,000,000 Ordinary Shares of 10s. each.

2. THAT it is desirable to capitalise the sum of £1,766,780 being as to £23,647 the whole of the amount standing to the credit of Capital Reserve, as to £1,500,000 the whole of the amount standing to the credit of General Reserve and as to £243,133 part of the amount standing to the credit of Profit and Loss Account and, accordingly, that such sum be set free for distribution among the Members holding Ordinary Shares registered at the close of business on 25th July, 1959, in proportion to the amounts paid up on the Issued Ordinary Shares held by them respectively, on the footing that the same be not paid in cash but be applied in paying up in full 3,533,560 unissued Ordinary Shares of 10s. each in the Company and that such Ordinary Shares be allotted and distributed credited as fully

INDISTINCT ORIGINAL

paid up among such Members in the proportion of one new Ordinary Share for each Ordinary Share held at the close of business on 25th July, 1959.

3. THAT the Articles of Association of the Company be altered by the deletion of Article 72 thereof and the substitution therefor of the following Article:—

"72. On a show of hands every Member who is present in person shall have one vote. On a poll every person who is present in person or by proxy shall have one vote for every Ordinary Share and four votes for every Preference Share of which he is the holder. Provided that the Preference Shares shall on a poll entitle the holders to eight votes for every Preference Share held on a resolution for winding up the Company or for any reduction of capital involving any repayment of capital on the Preference Shares or on any resolution directly and adversely affecting the special rights or privileges attached to the Preference Shares proposed at any General Meeting and also on every resolution proposed at any General Meeting held whilst the dividend on the Preference Shares is in arrear and so for this purpose the dividend on the Preference Shares shall be deemed to be payable half-yearly on the 30th June and the 31st December in every year."

T. V. LAYCOCK,

*Secretary.*

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No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

PREFERENCE SHAREHOLDERS

IN

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 18th August,* 1959

At a SEPARATE MEETING of the Holders of the Preference Shares in JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 18th August, 1959, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

## RESOLUTION

THAT this meeting of the holders of the 5 per cent. Cumulative Preference Shares of £1 each in John Crossley-Carpet Trades Holdings Limited hereby consents to any and all modifications of the rights attached to the said Preference Shares to be effected by or involved in the alterations to the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting.

T. V. LAYCOCK,

*Secretary.*

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No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Resolutions

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 28th April, 1966*

At an EXTRAORDINARY GENERAL MEETING of JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 28th April, 1966, the following Resolutions were duly passed, the first as an EXTRAORDINARY RESOLUTION and the third as a SPECIAL RESOLUTION:—

## RESOLUTIONS

1. THAT the capital of the Company be increased from £5,000,000 to £7,000,000 by the creation of 4,000,000 Ordinary Shares of 10s. each ranking *pari passu* in all respects with the existing Ordinary Shares of 10s. each in the capital of the Company.

2. THAT it is desirable to capitalise the sum of £1,821,127 10s. 0d. (being as to £137,122 13s. 9d. the balance standing to the credit of Share Premium Account and as to the remaining £1,684,004 16s. 3d. part of the balance standing to the credit of General Reserve) and accordingly that such sum be capitalised and that the Directors be and they are hereby authorised to appropriate as capital to and amongst the Members registered at the close of business on the 31st day of March, 1966, as the holders of the issued Ordinary Shares of 10s. each in the capital of the Company in proportion to the number of such Shares held by them respectively and to apply such sum on their behalf in paying up in full at par 3,642,255 of the unissued Ordinary Shares of 10s. each in the capital of the Company and that such 3,642,255 Ordinary Shares be allotted

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and distributed credited as fully paid up to and amongst such Members in the proportion of one such Ordinary Share for every two Ordinary Shares held by such Members at the close of business on the 31st day of March, 1966 and so that such new Shares shall not rank for any dividends declared in respect of the period ended the 4th day of December, 1965, but shall rank *pari passu* with the existing Ordinary Shares for all dividends hereafter declared on the Ordinary capital of the Company, and that any such new Ordinary Shares representing fractional entitlements shall be allotted to trustees and sold on the market, and the net proceeds of sale distributed *pro rata* amongst the Members otherwise entitled to a fraction of a share.

3. THAT the Articles of Association of the Company be altered in manner following that is to say:—

(*a*) by deleting Article 72 and by substituting therefor the following new Article, namely:—

"72. On a show of hands every Member who is present in person shall have one vote. On a poll every person who is present in person or by proxy shall have one vote for every Ordinary Share and five votes for every Preference Share of which he is the holder. Provided that the Preference Shares shall on a poll entitle the holders to nine votes for every Preference Share held on a resolution for winding up the Company or for any reduction of capital involving any repayment of capital on the Preference Shares or on any resolution directly and adversely affecting the special rights and privileges attached to the Preference Shares proposed at any General Meeting and also on every resolution proposed at any General Meeting held whilst the dividend on the Preference Shares is in arrear and so that for this purpose the dividend on the Preference Shares shall be deemed to be payable half-yearly on the 30th day of June and the 31st day of December in every year."

(*b*) by deleting Article 108 and by substituting therefor the following new Article, namely:—

"108. The Board shall provide for the safe custody of the Seal, which shall not be affixed to any instrument except in the presence of at least two Directors or at least one Director and the Secretary and such Directors or Director and Secretary shall sign every instrument to which the Seal is so affixed in their presence. Provided that every certificate for shares, debentures or debenture stock shall be issued under the Seal but such certificates need not be signed or countersigned by any person."

N. I. LOWTHER,
*Secretary.*

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No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

PREFERENCE SHAREHOLDERS

IN

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 28th April,* 1966

At a SEPARATE MEETING of the Holders of the Preference Shares in JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED duly convened and held on 28th April, 1966, the following Resolution was duly passed as an EXTRAORDINARY RESOLUTION:—

## RESOLUTION

THAT this Meeting of the Holders of the 5 per cent. Cumulative Preference Shares of £1 each in John Crossley-Carpet Trades Holdings Limited hereby consents to any and all modifications of the rights attached to the said Preference Shares to be effected by or involved in the alterations to the Articles of Association proposed to be made by the Special Resolution in that behalf set out in the Notice of an Extraordinary General Meeting of that Company which accompanied the Notice convening this Meeting.

N. I. LOWTHER,

*Secretary.*

INDISTINCT ORIGINAL

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Special Resolution

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 1st March, 1967*

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held at Winchester House, 77, London Wall, London, E.C.2, on Wednesday, the 1st day of March, 1967, the following Resolution was proposed and passed as a SPECIAL RESOLUTION.

RESOLUTION

THAT the share capital of the Company be reduced from £7,000,000 divided into 1,250,000 5 per cent. Cumulative Preference Shares of £1 each and 11,500,000 Ordinary Shares of 10s. each to £5,750,000 divided into 11,500,000 Ordinary Shares of 10s. each by cancelling all the 1,250,000 5 per cent. Cumulative Preference Shares of £1 each on terms that there shall be allotted credited as fully paid to the holders of the 1,208,985 issued Preference Shares so cancelled and in substitution therefor an aggregate of £1,208,985 7¼ per cent. Unsecured Loan Stock 1992/97 (to be constituted in accordance with the Particulars set out in Appendix B to the Company's Circular Letter to its members dated 6th February, 1967) in proportion to their holdings of such shares on the day preceding the cancellation thereof and that subject to and upon such reduction of capital taking effect: —

(*a*) the share capital of the Company be increased to its present amount of £7,000,000 by the creation of 2,500,000 Ordinary Shares of 10s. each; and

(*b*) the Articles of Association of the Company be altered in manner following, namely: —

(1) ARTICLE 8.—By deleting this Article and substituting therefor the following new Article: —

"8. The share capital of the Company is £7,000,000 divided into 14,000,000 Ordinary Shares of 10s. each."

(2) ARTICLE 9.—By deleting this Article.

(3) ARTICLE 12.—By deleting from the last sentence of this Article the words "Subject as hereinbefore provided in regard to the 5 per cent. Cumulative Preference Shares, the" and substituting the word "The".

(4) ARTICLE 13.—By deleting this Article.

(5) ARTICLE 30.—By deleting from this Article (relating to transfers of shares) the words "signed by both the transferor and the transferee" and substituting therefor the words "signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee".

(6) ARTICLES 32 and 35.—By deleting from Article 32 paragraph (*a*) (requiring the payment of a registration fee for transfers) and re-lettering paragraphs (*b*) and (*c*) of Article 32 as (*a*) and (*b*) respectively and by deleting Article 35 (requiring the payment of a registration fee registering probates and other documents relating to or affecting the title to shares).

(7) ARTICLE 52.—By substituting the words "by ordinary resolution" for the words "by extraordinary resolution" in this Article (relating to increases of capital).

(8) ARTICLE 72.—By deleting this Article and substituting therefor the following new Article: —

"72. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every 10s. in nominal amount of the shares of which he is the holder."

(9) ARTICLE 98.—By deleting this Article and substituting therefor the following new Article: —

"98. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiary companies, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to the aggregate of (i) the amount paid up on the issued share capital of the Company and (ii) the amounts standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and profit and loss account) all as shown by a consolidation of the then latest audited balance sheets of the Company and its subsidiaries but (*a*) adjusted in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet; (*b*) excluding any amounts set aside for taxation and any amounts attributable to outside shareholders in subsidiaries; (*c*) deducting any amounts attributable to goodwill and other intangible assets and the amount of any debit balance on the consolidated profit and loss account; and (*d*) deducting any amount distributed or proposed to be distributed

but not provided for in such consolidation out of reserves or profits included therein.

(c) For the purposes of the said limit the following provisions shall apply:—

(i) the following shall (so far as not already otherwise taken into account) be taken into account as moneys borrowed:—

(*a*) the nominal or principal amount of any share capital, debentures or money borrowed (together in each case with any fixed or minimum premium payable on final repayment) the beneficial interest whereof is not for the time being owned by and the repayment whereof is guaranteed by the Company or a subsidiary;

(*b*) the principal amount raised by the Company or by any subsidiary by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;

(*c*) the principal amount (together with any premium payable on final repayment) of any debentures of the Company or a subsidiary;

(*d*) the nominal amount of the issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by the Company or another subsidiary;

(ii) moneys borrowed by the Company or any subsidiary for the purpose of repaying the whole or any part of borrowed moneys (other than inter-company borrowings) for the time being outstanding (including any premium payable on repayment) and so applied within four months of being first borrowed shall not pending their application for such purpose be deemed to be borrowed moneys;

(iii) in the case of a subsidiary of which only part of the equity share capital is attributable to the Company, that proportion of any moneys borrowed by such subsidiary (other than from the Company or a wholly-owned subsidiary) which is equal to the proportion of the equity share capital thereof which falls to be regarded as attributable to minority shareholders shall be treated for all purposes as if the same were moneys borrowed from and owing to the Company or another subsidiary.

(D) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded."

(10) ARTICLE 146.—By deleting from this Article (relating to the circulation of copies of accounts) the words "and three copies of each of these documents shall at the same time be forwarded to the Secretary of the Share and Loan Department, The Stock Exchange, London" and substituting therefor the words "and whenever quotation of any Stock Exchange in the United Kingdom for all or any of the shares or debentures of the Company shall for the time being be in force there shall be forwarded to the appropriate offices of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice."

N. I. LOWTHER,
*Secretary.*

No. 309779

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Extraordinary Resolution

OF

**Holders of 5 per cent. Cumulative Preference Shares**

OF

# JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

*Passed 1st March, 1967*

At a SEPARATE GENERAL MEETING of the holders of the 5 per cent. Cumulative Preference Shares of the above-named Company duly convened and held at Winchester House, 77, London Wall, London, E.C.2, on Wednesday, the 1st day of March, 1967, the following Resolution was proposed and passed as an EXTRAORDINARY RESOLUTION of such holders.

## RESOLUTION

THAT consent be and is hereby given to the passing by the Company of a Special Resolution in the form of the Resolution set out in the Notice convening an Extraordinary General Meeting of the Company which accompanied the Notice convening this Meeting and to all modifications or abrogations of the Special Rights attached to the 5 per cent. Cumulative Preference Shares to be effected by or involved in such Resolution.

N. I. LOWTH

*Secretary.*

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION

No. 00437 of 1967

*re* JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED

AND

*re* THE COMPANIES ACT, 1948.

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MINUTE

*approved by the Court by Order dated the 20th March, 1967.*

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The capital of John Crossley-Carpet Trades Holdings Limited was by virtue of a Special Resolution and with the sanction of an Order of the High Court of Justice dated the 20th March, 1967 reduced from £7,000,000 divided into 1,250,000 Preference Shares of £1 each and 11,500,000 Ordinary Shares of 10s. each to £5,750,000 divided into 11,500,000 Ordinary Shares of 10s. each. At the date of the registration of this Minute 10,926,766 of the said Shares have been issued and are deemed to be fully paid up and the remaining 573,234 such Shares are unissued. The said Special Resolution contains a provision to take effect upon the said reduction of capital taking effect increasing the capital of the Company to its former amount of £7,000,000 by the creation of 2,500,000 Ordinary Shares of 10s. each.

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The above Minute, together with an Office Copy of the Order referred to therein, was delivered to the Registrar of Companies for registration on 31st March, 1967.

THE COMPANIES ACT, 1948

*COMPANY LIMITED BY SHARES*

# Articles of Association

CARPETS INTERNATIONAL LIMITED

(*As adopted by Special Resolution passed* 10*th December*, 1953 *and reprinted in April*, 1967, *to include all amendments made thereto by Special Resolutions passed up to and including* 31*st March*, 1967.)

## TABLE A

Table A not to apply.

1. Neither the regulations in Table A in the First Schedule to the Companies Act, 1929, nor the regulations in Table A in the First Schedule to the Companies Act, 1948 shall apply to the Company.

## INTERPRETATION

Interpretation.

2. In these presents if not inconsistent with the subject or context:—

The words standing in the first column of the following Table shall bear the meanings set opposite to them respectively in the second column thereof.

| WORDS | MEANINGS |
|---|---|
| The Act .. .. | The Companies Act, 1948. |
| These presents .. | These Articles of Association as now framed or as from time to time altered by special resolution. |
| The Office.. .. | The Registered Office of the Company. |
| The Seal .. .. | The Common Seal of the Company. |
| The United Kingdom | Great Britain and Northern Ireland. |

| WORDS | MEANINGS |
|---|---|
| The Board .. | The Board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present. |
| The Register .. | The Register of Members of the Company. |
| In writing .. .. | Written or produced by any substitute for writing, or partly written and partly so produced. |
| Paid up .. .. | Paid up or credited as paid up. |

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;

Words importing persons shall include corporations;

The expressions "debenture" and "debenture holder" shall include "debenture stock" and "debenture stockholder";

The expression "the Secretary" shall include a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary;

The expression "dividend" shall include "bonus";

Reference to any provision of the Act shall be construed as a reference to such provision as modified by any Statute for the time being in force.

3. Subject to the last preceding Article, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

## BUSINESS

Agreement on formation.

4. The Company was formed on the basis of the Agreement referred to in paragraph 3 (1) of the Company's Memorandum of Association and no objection to the validity of that Agreement shall be raised on the ground that the Vendors stood in a fiduciary relation to the Company or that any of the Directors of the Company accepted office at their request and that the Board was not therefore

an independent Board and the vendors shall be entitled to retain any consideration or benefit under the said Agreement and shall not be accountable for the same or any part thereof and no claim in respect thereof shall be made by the Company or any of its Members or the Liquidator thereof against the vendors on the ground that they stood in any such fiduciary relation as aforesaid or otherwise.

What business may be undertaken by the Board.

5. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall think fit, and further may be suffered by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with the same.

Registered Office

6. The Office shall be at such place in England as the Board shall from time to time appoint.

Company funds may not be used to subscribe shar in Company.

7. No part of the funds of the Company shall be employed in the subscription or purchase of or in loans upon the security of the Company's shares or those of its holding company (if any) and the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with any purchase or subscription by any person of shares in the Company or in its holding company (if any) nor make, or guarantee or provide any security in connection with, a loan to any Director of the Company or of its holding company (if any); but nothing in this Article shall prohibit transactions authorised by sections 54 or 190 of the Act.

Loan to Director.

## SHARE CAPITAL

Capital. As inserted by Special Resolution passed 1st March, 1967.

* 8. The share capital of the Company is £7,000,000 divided into 14,000,000 Ordinary Shares of 10/– each.

Article 9 deleted by Special Resolution passed 1st March, 1967.

Issue of share

10. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by resolution determine.

*Since 1st March 1967 the share capital has beenn increased from time to tir
Special and Ordinary Resolutions up to and including 6th February 1976 and
that date was £14,500,000 divided into 29,000,000 Ordinary Shares of 50p ea

Redeemable preference shares.

11. Subject to the provisions of section 58 of the Act, any preference shares may, with the sanction of a special resolution, be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may by special resolution determine.

## MODIFICATION OF RIGHTS

How special class rights may be modified. As amended by Special Resolution passed 1st March, 1967.

12. Subject to the provisions of Section 72 of the Act whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate meeting of such holders (but not otherwise) be modified or abrogated and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate meeting all the provisions of these presents relating to General Meetings or to the proceedings thereat shall *mutatis mutandis* apply except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present in person or by proxy shall be a quorum) and that the holders of shares of the class shall on a poll have one vote in respect of every share of the class held by them respectively. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

Article 13 deleted by Special Resolution passed 1st March, 1967.

## SHARES

Power of Board to dispose of unissued shares.

14. Subject to the provisions of these presents, the unissued shares of the Company whether forming part of the original or any increased capital shall be at the disposal of the Board, which may allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine, but so that no shares shall be issued at a discount except in accordance with section 57 of the Act.

Powers to pay commission and brokerage.

15. The Company may exercise the powers of paying commissions conferred by section 53 of the Act, provided that the rate or amount of the commission paid or agreed to be paid and the number

of shares which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by the said section, and that such commission shall not exceed 10 per cent. of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent. of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

Exclusion of equities.

16. Except as ordered by a Court of competent jurisdiction or as by law required, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these presents or by law otherwise provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

Issue of share certificates.

17. Every person whose name is entered as a Member in the Register shall be entitled, without payment, to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares of any one class, or several certificates each for one or more of his shares of such class upon payment of such sum, not exceeding one shilling, for every certificate after the first as the Board shall from time to time determine. Provided always that when a Member has sold part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.

Replacement of share certificates.

18. If a share certificate be defaced, lost or destroyed it may be replaced on payment of such fee (if any) not exceeding one shilling and on such terms (if any) as to evidence and indemnity and payment of the out-of-pocket expenses of the Company of investigating such evidence as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

## LIEN

Company's lien on partly paid up shares.

19. The Company shall have a lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share, and

the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company, and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such Member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends payable thereon. But the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

Sale of shares subject to lien.

20. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the holder for the time being of the share or to the person entitled by reason of his death or bankruptcy to the share.

Application of proceeds of sale.

21. The net proceeds of sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares and he 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.

## CALLS ON SHARES

Calls.

22. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal amount of the shares or be payable at less than one month from the date fixed for payment of the last previous call, and each Member shall (subject to the Company giving to him at least fourteen

days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.

Call may be payable by instalments.

23. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

Liability of joint holders for calls.

24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Interest on unpaid calls.

25. If a sum called in respect of a share be not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 10 per cent. per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

Sums due by terms of issue deemed to be calls.

26. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Power to differentiate.

27. The Board may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

Payment of calls in advance.

28. The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company in general meeting shall otherwise direct) 10 per cent. per annum as may be agreed upon between the Board and the Member paying such sum in advance.

## TRANSFER OF SHARES

Form of transfer.

29. Subject to such of the restrictions of these presents as may be applicable, any Member may transfer all or any of his shares by transfer in writing in the usual common form or in any other form which the Board may approve.

Completion and effect of transfer. As amended by Special Resolution passed 1st March, 1967.

30. The instrument of transfer of a share shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of 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 in respect thereof. All instruments of transfer, when registered, shall be retained by the Company.

Power to decline registration of transfer.

31. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of shares (other than fully paid shares) to a person of whom it shall not approve. The Board may also decline to register any transfer of shares on which the Company has a lien.

Transfer fee and lodgment of transfer. As amended by Special Resolution passed 1st March, 1967.

32. The Board may also decline to recognise any instrument of transfer unless:—

(*a*) The instrument of transfer is lodged at the Office or such other place as the Board may appoint, accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(*b*) The instrument of transfer is in respect of only one class of share.

Notice of refusal to register.

33. If the Board refuses to register a transfer it shall, within two months after the date on which the transfer was lodged, send to the transferee notice of the refusal.

Closing of register.

34. The register of transfers may be closed at such times and for such period as the Board may from time to time determine provided always that it shall not be closed for more than thirty days in any year.

Article 35 deleted by Special Resolution passed 1st March, 1967.

## TRANSMISSION OF SHARES

Transmission on death.

36. In case of the death of a Member the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole holder, shall be the only persons 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 with other persons.

Registration of personal representatives, etc.

37. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.

Notice of election to be registered.

38. If the person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company a notice in writing signed by him, stating that he so elects. If he shall elect to have his nominee registered he shall testify his election by executing to his nominee a transfer of such share. All the limitations restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

Rights of unregistered personal representatives, etc.

39. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member 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 the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof.

## FORFEITURE OF SHARES

Notice requiring payment of calls.

40. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any expenses which may have been incurred.

Date and place for payment.

41. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which and the place where the payment required by the notice 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 or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references herein to forfeiture shall include surrender.

Forfeiture.

42. If the requirements of any such notice as aforesaid be not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice of forfeiture.

43. When any share has been forfeited, notice of the forfeiture shall forthwith be given to the person who was, before forfeiture, the holder of the share or the person who was, before forfeiture, entitled to the share by reason of the death or bankruptcy of the holder (as the case may be); but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.

Disposal of forfeited shares.

44. A forfeited share shall be deemed to be the property of the Company and 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 Board shall think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board may think fit.

Liability of Member whose shares have been forfeited.

45. A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine, not exceeding ten per cent. per annum, from the date of forfeiture until payment.

Title to forfeited shares.

46. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the same is sold or disposed of, and he shall thereupon be registered as the holder of the share 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 irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

## STOCK

Power to convert paid up shares into stock.

47. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may reconvert any stock into paid up shares of any denomination.

Transfer of stock.

48. Subject to the provisions of the next following Article the holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit.

Minimum amount transferable.

49. The Board may in relation to any class of stock, from time to time fix the minimum amount of such stock transferable and restrict or forbid the transfer of fractions of such minimum, but the minimum shall not exceed the nominal amount of the share from which the stock arose.

Rights of stockholders.

50. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and in assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage.

Interpretation.

51. All such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" herein shall include "stock" and "stockholder".

## INCREASE OF CAPITAL

Power to increase. As amended by Special Resolution passed 1st March, 1967.

52. The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

Issue of new shares.

53. The Company may, by the resolution increasing the capital direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of section 57 of the Act) at a discount to all the ordinary shareholders for the time being in proportion to the number of ordinary shares held by them respectively or may make any other provisions as to the issue of the new shares. In default of any such direction

or so far as the same shall not extend, the new shares shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons and on such terms as it shall think fit.

Rights of new shares.

54. The new shares shall be subject to all the provisions of these presents with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise and, unless otherwise provided in accordance with these presents, shall be issued as Ordinary Shares.

## ALTERATIONS OF CAPITAL

55. The Company may from time to time by ordinary resolution:—

Power to consolidate shares.

(*a*) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

Power to sub-divide shares.

(*b*) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of section 61 (1) (*d*) of the Act), and so that the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over, or may have such qualified or deferred rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new shares.

Power to cancel shares.

(*c*) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

And may also by special resolution:—

Power to reduce capital.

(*d*) Reduce its share capital and any capital redemption reserve fund or any share premium account in any manner and with and subject to any incident authorised and consent required by law.

## GENERAL MEETINGS

Annual general meetings.

56. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

Extraordinary general meetings.

57. All general meetings other than annual general meetings shall be called extraordinary general meetings.

Convention of extraordinary general meetings.

58. The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general 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. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

## NOTICE OF GENERAL MEETINGS

Notice of general meetings.

59. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner hereinafter mentioned to such persons as are, in accordance with the provisions of these presents, entitled to receive such notices from the Company, and also to the Auditors of the Company for the time being.

Short notice.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:—

(*a*) In the case of a meeting called as the annual general meeting by all the Members entitled to attend and vote thereat; and

(*b*) In the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

In every notice calling a meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member.

Omission and non-receipt of notice.

60. The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

Special business.

61. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of the declaration and sanctioning of dividends, the consideration of the accounts and balance sheet and the reports of the Directors and Auditors, the election of Directors and Auditors and other officers in place of those retiring, the fixing of the remuneration of the Auditors and the voting of remuneration to the Directors.

Ordinary business.

Quorum.

62. No business shall be transacted at any general meeting unless a quorum be present when the meeting proceeds to business. Save as otherwise provided by these presents, two Members present in person and entitled to vote shall be a quorum for all purposes. A Corporation being a Member shall be deemed for the purpose of this Article to be personally present if represented in accordance with the provisions of section 139 of the Act.

Adjournment if no quorum.

63. If within half an hour from the time appointed for the meeting a quorum be 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, or to such other day and at such other time or place as the Chairman may determine, and the provisions of Article 65 shall apply. If at such adjourned meeting a quorum as above defined be not present within fifteen minutes from the time appointed for holding the meeting the meeting shall be dissolved.

Chairman.

64. The Chairman (if any) of the Board or, in his absence, the deputy-Chairman (if any) shall preside as Chairman at every general meeting of the Company. If there be no such Chairman or deputy-Chairman, or if at any meeting neither the Chairman nor the deputy-Chairman be present within fifteen minutes after the time appointed for holding the meeting, or if neither of them be willing to act as Chairman, the Directors present shall choose one of their number to act, or if one Director only be present he shall preside as Chairman if willing to act. If no Director be present, or if all the Directors present decline to take the chair, the Members present shall choose by show of hands one of their number to be Chairman.

Adjournments.

65. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting on resolution.

Demand for poll.

66. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll be demanded by the Chairman or by at least three Members present in person or by proxy and entitled to vote or by any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting or holding shares conferring a right to vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right. Unless a poll be so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost, and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such a resolution.

Votes counted in error.

67. If any votes shall be counted which ought not to have been counted or might have been rejected the error shall not vitiate the resolution unless it be pointed out at the same meeting and not

in that case unless it shall, in the opinion of the Chairman of the meeting, be of sufficient magnitude to vitiate the resolution.

Result of poll.

68. If a poll be duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Casting vote.

69. In case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the Chairman of such meeting shall be entitled to a second or casting vote.

Time for taking poll.

70. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place and in such manner as the Chairman directs not being more than two weeks from the date of the meeting.

Continuance of other business after demand for poll.

71. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn at any time before the next business is proceeded with.

## VOTES OF MEMBERS

Voting rights of Members. As inserted by Special Resolution passed 1st March, 1967.

72. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every 10s. in nominal amount of the shares of which he is the holder.

Joint holders.

73. In the case of joint holders of a share 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 joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register.

Corporations.

74. In accordance with section 139 of the Act a corporation being a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.

Incapacity.

75. A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction for the protection of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, *curator bonis* or other person in the nature of a committee or *curator bonis* appointed by such court, and such committee, *curator bonis* or other person may vote on a poll by proxy.

No right to vote where call unpaid.

76. No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Objections.

77. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

Voting on poll.

78. On a poll votes may be given either personally or by proxy.

Signature of proxies.

79. 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 the appointor be a corporation, either under its common seal or under the hand of an officer or attorney so authorised.

Who may be proxies.

80. A proxy need not be a Member of the Company. Any Member may appoint more than one proxy to attend on the same occasion.

Deposit of proxy.

81. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.

Form of proxy.

82. An instrument appointing a proxy may be in the usual common form or in such other form as the Board may accept and need not be witnessed. Such instrument shall unless the contrary is stated thereon be valid as well for any adjournment of the meeting as for the meeting to which it relates and shall be deemed to include the right to demand or join in demanding a poll.

Effect of death and revocation of proxy.

83. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, or the transfer of the share in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

## DIRECTORS

Number of Directors.

84. Unless and until otherwise determined by the Company in general meeting, the Directors shall be not less than six and not more than eighteen in number.

Remuneration.

85. The Directors shall be entitled to such remuneration as shall from time to time be determined by the Company in general meeting, and such remuneration shall be divided among the Directors as the Board may by resolution determine or, failing such determination, equally, except that in such event any Director holding office for less than a year shall only rank in such division in proportion to the period during which he has held office during such year. The

Expenses.

Directors shall also be entitled to be paid their reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or otherwise incurred while engaged on the business of the Company.

Special services.

86. Any Director who, by request, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine which shall be charged as part of the Company's ordinary working expenses.

Power of Director to hold offices of profit and to contract with Company.

87. (A) A Director of the Company may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested, and no such Director shall be accountable for any remuneration or other benefits received by him as a director or officer of or

from his interest in such other company. Subject to the provisions of Article 13 the Board may also exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the members of the Board or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company. And any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to become a director or officer of such other company and as such, or in any other manner, is or may be interested in the exercise of such voting rights in manner aforesaid.

Declaration of shareholdings.

(B) A Director holding office as Director of any other Company not being a Subsidiary Company of the Company shall declare his holding of such office to the Board. In the case of a salaried or Managing Director, he shall not hold office, whether as a Director, Manager, or otherwise, in any other Company not being a Subsidiary Company of the Company, unless he shall first have declared the nature and extent of such services and obtained the consent of the Board.

88. (A) 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 upon such terms as the Board may determine and may receive such remuneration therefor as the Board may think fit in addition to any other remuneration hereunder. Subject to the next paragraph of this Article, no Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

Declaration of interest.

(B) A Director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if his interest then exists, or in any other case at the first meeting

of the Board after he becomes so interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in all transactions with such company or firm shall be a sufficient declaration of interest under this Article, and after such general notice it shall not be necessary to give any special notice relating to any subsequent transaction with such company or firm, provided that either the notice is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

Restriction on voting.

(C) A Director shall not vote (nor be counted in the quorum) in respect of any contract or arrangement in which he is interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any arrangement for giving to any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company, nor to any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the Director has himself guaranteed or secured, nor to any contract by a Director to subscribe for or underwrite shares or debentures of the Company, nor to any contract or arrangement with a corporation in which he is interested only by reason of being a director, officer, creditor or member of such corporation, and it may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, by the Company in general meeting.

Quorum

(D) A Director, notwithstanding his interest, may be counted in the quorum present for the purpose of considering the appointment of himself or of any other Director to hold any such office or place of profit under the Company as aforesaid or of arranging the terms of any such appointment or matters relating to schemes or funds for the provision of pensions or other retirement benefits for employees of the Company in which he may be interested and he may vote on any such appointment or arrangement (other than his own appointment or the arrangement of the terms thereof) and on such matters.

(E) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor), and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

Qualification.

89. The qualification of a Director shall be the holding alone, and not jointly with any other person, of shares of the Company of any class or classes of the nominal amount of £100. A Director may act before obtaining his qualification but, if not already qualified,

shall obtain such qualification within two months after his appointment, and in default his office shall be vacated. If at any time after the expiration of such two months a Director shall cease to hold his qualification, his office shall be vacated. A person vacating office under this Article shall be incapable of being reappointed a Director until he shall have obtained his qualification.

Vacation of office of Director.

90. The office of a Director shall be vacated in any of the events following, namely:—

(*a*) If (not being an Executive Director holding office for a fixed term) he resign his office by writing under his hand left at the Office.

(*b*) If he be found or become of unsound mind or become bankrupt or compound with his creditors.

(*c*) If, without leave, he be absent, otherwise than on the business of the Company, from meetings of the Board for six consecutive months, and the Board resolve that his office be vacated.

(*d*) If he be prohibited from being a Director by reason of any order made under section 188 of the Act.

(*e*) If he be removed from office pursuant to section 184 of the Act.

(*f*) If he vacates office pursuant to the provisions of Article 89 or of Article 91.

Vacation at 65 years.

91. A Director shall vacate his office at the conclusion of the Annual General Meeting commencing next after he shall have attained the age of 65 years, unless a Resolution shall be passed at such Meeting extending his appointment for a maximum period of 5 years, and on the expiration of such extended period he shall not be capable of re-election. Provided that acts done by a person as Director shall be valid notwithstanding that it is afterwards discovered that his appointment had terminated by virtue of this Article. Where a Director vacates office under this Article the provisions of Article 110 will not apply and if at the Meeting at which he retires the vacancy is not filled under Article 112, Article 115 shall not apply but the vacancy may be filled as a casual vacancy under Article 117.

## POWERS AND DUTIES OF DIRECTORS

Powers of Board.

92. The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are

not by the Act or by these presents required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these presents and of the Act and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

Subsidiary companies.

93. The Board may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on as or through one or more subsidiary companies and the Board may on behalf of the Company make such arrangements as the Board think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing assisting or subsidizing any such subsidiary company or guaranteeing its contracts obligations or liabilities and the Board may appoint remove and re-appoint any persons (whether a Director of the Company or not) to act as Directors Managing Directors or Managers of any such company or any other company in which the Company may be interested and may determine the remuneration (whether by way of salary commission on profits or otherwise) of any persons so appointed and any Directors of the Company may retain any remuneration so payable to them.

Local boards.

94. The Board may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Appointment of attorney.

95. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in

or exercisable by the Board under these presents) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Official Seal.

96. The Company may exercise the powers conferred by section 35 of the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Board.

Dominion Register.

97. The Company may exercise the powers conferred by sections 119 to 122 of the Act with regard to the keeping of a Dominion Register, and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any such Register.

Borrowing powers. As inserted by Special Resolution passed 1st March, 1967.

98. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Borrowing limit increased by Special Resolution passed 11th January, 1977.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiary companies, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to one and one half times the aggregate of (i) the amount paid up on the issued share capital of the Company and (ii) the amounts standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and profit and loss account) all as shown by a consolidation of the then latest audited balance sheets of the Company and its subsidiaries but (*a*) adjusted in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet; (*b*) excluding any amounts set aside for taxation and any amounts attributable to outside shareholders in

subsidiaries; (*c*) deducting any amounts attributable to goodwill and other intangible assets and the amount of any debit balance on the consolidated profit and loss account; and (*d*) deducting any amount distributed or proposed to be distributed but not provided for in such consolidation out of reserves or profits included therein.

(c) For the purposes of the said limit the following provisions shall apply:—

(i) the following shall (so far as not already otherwise taken into account) be taken into account as moneys borrowed:—

(*a*) the nominal or principal amount of any share capital, debentures or money borrowed (together in each case with any fixed or minimum premium payable on final repayment) the beneficial interest whereof is not for the time being owned by and the repayment whereof is guaranteed by the Company or a subsidiary;

(*b*) the principal amount raised by the Company or by any subsidiary by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;

(*c*) the principal amount (together with any premium payable on final repayment) of any debentures of the Company or a subsidiary;

(*d*) the nominal amount of the issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by the Company or another subsidiary;

(ii) moneys borrowed by the Company or any subsidiary for the purpose of repaying the whole or any part of borrowed moneys (other than inter-company borrowings) for the time being outstanding (including any premium payable on repayment) and so applied within four months of being first borrowed shall not pending their application for such purpose be deemed to be borrowed moneys;

(iii) in the case of a subsidiary of which only part of the equity share capital is attributable to the Company, that proportion of any moneys borrowed by such subsidiary (other than from the Company or a wholly-owned subsidiary) which is equal to the proportion of the equity share capital thereof which falls to be regarded as attributable

to minority shareholders shall be treated for all purposes as if the same were moneys borrowed from and owing to the Company or another subsidiary.

(D) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded.

Signature of cheques and bills.

99. All cheques, promissory notes, drafts, bills of exchange and other negotiable and transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

Board minutes.

100. The Board shall cause minutes to be made in books provided for the purpose:—

(*a*) Of all appointments of officers made by the Board.

(*b*) Of the names of the Directors present at each Board or Committee meeting.

(*c*) Of all resolutions and proceedings at all meetings of the Company and of the Committees.

Register of Directors' shareholdings.

101. The Board shall cause to be kept the register of the Directors' holdings of shares and debentures required by section 195 of the Act, and shall render the same available for inspection during the period and by the persons prescribed, and produce the same at every annual general meeting as required by that section.

## MANAGING DIRECTOR

Managing Director.

102. The Board may from time to time appoint one or more of its body to the office of Managing Director or Assistant Managing Director for such period and upon such terms as it thinks fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. Any such appointment shall (without prejudice to any claim the appointee may have for damages for breach of any contract of service between him and the Company) *ipso facto* determine if he cease from any cause to be a Director.

Remuneration of Managing Director.

103. A Managing Director or Assistant Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

Powers of Managing Director.

104. The Board may entrust to and confer upon a Managing Director or Assistant Managing Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with or to the exclusion of its own powers, and may from time to time (subject to the terms of any agreement entered in particular case) revoke, withdraw, alter or vary all or any of such powers.

## SECRETARY

Secretary.

105. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

106. A provision of the Act or these presents requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## PENSIONS AND ALLOWANCES

Pensions.

107. Without in any way limiting or restricting the general powers of the Board to grant pensions, allowances or other similar payments to officers or ex-officers, employees or ex-employees of the Company, or the relatives or dependants of any such persons, it is hereby expressly declared that the Board may, upon any person who was or is for the time being a Director of the Company ceasing for any cause to hold some other office or place of profit (including that of Managing Director) previously held by him under the Company, make such grants or pay such pension or other retiring or similar allowance to such person or his relatives or dependants as the Board may think fit, and it shall be no objection to any such grant or payment that such person may remain an ordinary Director of the Company entitled to participate in the remuneration payable to the Directors. Any such grant, pension or other allowance may be made payable for such period and upon such terms and conditions as the Board in its discretion may from time to time determine, but shall only be made in respect of some office, place of profit or services other than service as an ordinary Director and any such

Director qualifying under this Article for the receipt of a pension may be included in any approved Superannuation Scheme which is for the time being administered by the Company.

## THE SEAL

Seal. As amended by Special Resolution passed 28th April, 1966.

108. The Board shall provide for the safe custody of the Seal, which shall not be affixed to any instrument except in the presence of at least two Directors or at least one Director and the Secretary and such Directors or Director and Secretary shall sign every instrument to which the Seal is so affixed in their presence. Provided that every certificate for shares, debentures or debenture stock shall be issued under the Seal but such certificates need not be signed or countersigned by any person.

Share certificates.

## ROTATION OF DIRECTORS

Retirement of Directors.

109. At every annual general meeting one-third of the Directors for the time being or if their number be not a multiple of three the number nearest to but not exceeding one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

Which Directors to retire.

110. The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Re-election.

111. A retiring Director shall, subject to the provisions of section 185 of the Act and of Article 91, be eligible for re-election.

Resolution not to fill vacancy.

112. The Company at the meeting at which a Director retires in manner aforesaid shall fill up the vacated office by electing a person thereto unless at such meeting it be expressly resolved not to fill up such vacated office. The Company may also in general meeting (subject to the provisions of Article 114) elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents.

Additional Directors.

Election by Separate Resolution.

113. Except as otherwise authorised by section 183 of the Act, the election or appointment of any person proposed as a Director shall be effected by a separate resolution, and a single resolution purporting to elect or appoint two or more persons to be Directors shall be ineffective and void.

Eligibility for election.

114. No person, other than a Director retiring at the meeting, shall, unless recommended by the Board, be eligible for election to the office of a Director at any general meeting unless, not less than three and not more than twenty-one clear days 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.

Re-election by default.

115. If at any meeting at which an election of Directors ought to take place the place of any retiring Director be not filled up such Director, if offering himself for re-election, shall be deemed to have been re-elected unless at such meeting it be expressly resolved not to fill up such place or unless either a motion that he be not re-elected is carried or a motion that he be re-elected is put to the meeting and defeated.

Increase and reduction of number of Directors.

116. The Company in general meeting may from time to time increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office.

Power of Board to fill casual vacancy and to appoint additional Directors.

117. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these presents to appoint any person to be a Director, the Board shall have power at any time and from time to time to appoint any person (subject to the provisions of section 185 of the Act and of Article 91) to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Removal of Directors.

118. The Company may by extraordinary resolution, or (subject to the provisions of section 184 of the Act) by ordinary resolution of which special notice has been given in accordance with section 142 of the Act, remove any Director before the expiration of his period of office and may (subject to Article 114 or to the said provisions as the case may be) by an ordinary resolution appoint another person in his stead. 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 a Director.

## PROCEEDINGS OF THE BOARD

Board meetings.

119. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may and the Secretary on the requisition of a Director shall at any time summon a Board meeting. In the event of any such requisition 3 days' notice at least (inclusive of the day on which the notice was served or deemed to have been served and of the day for which the notice is given) specifying the place, date and hour of the meeting and the general nature of the business to be transacted shall be given to each Director for the time being. It shall not be necessary to give notice of a Board meeting to any Director for the time being absent from the United Kingdom.

Quorum.

120. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two.

Powers of continuing Directors.

121. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number be reduced below the minimum number fixed by or in accordance with these presents the continuing Directors may act for the purpose of filling up vacancies in their body or of summoning general meetings of the Company but not for any other purpose, and may act for either of the purposes aforesaid whether or not their number be reduced below the number fixed by or in accordance with these presents as the quorum.

Chairman of Board.

122. The Board may elect a Chairman and deputy-Chairman of its meetings and determine the period for which they are respectively to hold office. If no such Chairman or deputy-Chairman be elected, or if at any meeting neither the Chairman nor the deputy-Chairman be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

Powers of meetings at which a quorum is present.

123. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board.

Committees.

124. The Board may delegate any of its powers to committees, whether consisting of a member or members of its body or not, as it thinks 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 Board.

Committee meetings.

125. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.

Resolution signed by all Directors.

126. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Board or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board, or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned.

Effect of defect in appointment of director.

127. All acts done by any Board or committee or by any person acting as a Director, 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 or had vacated office, shall be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director.

## DIVIDENDS

Payment of dividends.

128. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

Restriction on dividends.

129. No dividend shall be payable except out of the profits of the Company or in excess of the amount recommended by the Board.

Preacquisition profits.

130. Where any asset business or property is bought by the Company as from a past date the actual profit or loss as the case may be so accruing as from such date may at the discretion of the Board but subject to the provisions of the Act be credited or debited wholly or in part to revenue account or otherwise dealt with as if the same were a profit or loss arising from the business of the Company.

Apportionment of dividends.

131. All dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall

be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share be issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Interim dividends.

132. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the position of the Company; the Board may also pay the fixed dividend payable on any preference shares of the Company half-yearly or otherwise on fixed dates, whenever such position, in the opinion of the Board, justifies that course.

Deductions from dividends.

133. The Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

No interest on dividends.

134. No dividend shall bear interest against the Company.

Retention of dividends.

135. The Board may retain any dividends or bonuses payable on shares on which the Company has a lien and may apply the same in or towards satisfaction of the debts liabilities or engagements in respect of which the lien exists.

Failure to register under transmission Articles.

136. The Board may retain the dividends and bonuses payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.

Dividends may be paid by cheque.

137. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first on the Register in respect of the shares. Every such cheque or warrant shall, unless the holder otherwise directs, be made payable to the order of the registered holder, or in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk. Any one or two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by such joint holders.

Distribution in specie.

138. Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may fix the value for distribution of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution.

## RESERVES

Reserves.

139. The Board may before recommending any dividend set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to divide.

Share premium account.

140. The Board shall transfer to share premium account as required by section 56 of the Act sums equal to the amount or value of any premiums at which shares of the Company may be issued, and, subject to the provisions of the said section, the provisions of these presents relating to reserves shall be applicable to the sums for the time being standing to the credit of share premium account.

## CAPITALISATION OF PROFITS

Capitalisation of reserves.

141. The Company in general meeting may at any time and from time to time pass a resolution to the effect that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserves or to the credit of the profit and loss account or otherwise available for distribution and not required for the payment of the accrued fixed dividends on any preference shares of the Company and accordingly that such sum be set free for distribution among the Members holding ordinary shares in proportion to the amounts paid up on the issued ordinary shares held by them respectively, on the footing that the same be not paid

in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members or partly in one way and partly in the other, and the Board shall give effect to such resolution. Provided that a share premium account and a capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid.

Fractions.

142. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract requisite or convenient for giving effect thereto and such appointment shall be effective and binding upon the Members.

## ACCOUNTS

Accounts.

143. The Board shall cause true accounts complying with section 147 of the Act to be kept:—

(*a*) Of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place; and

(*b*) Of all sales and purchases of goods by the Company; and

(*c*) Of the assets and liabilities of the Company.

Inspection of accounts.

144. The books of account shall be kept at the Office or, subject to section 147 (3) of the Act, at such other place or places as the Board may think fit and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board.

Balance sheet and profit and loss account.

145. The Board shall from time to time, in accordance with sections 148, 150 and 157 of the Act, cause to be prepared and to be

laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

Distribution of reports and accounts. As amended by Special Resolution passed 1st March, 1967.

146. A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall not be less than twenty-one days before the date of the meeting be sent to every Member and to every holder of debentures of the Company and whenever quotation of any Stock Exchange in the United Kingdom for all or any of the shares or debentures of the Company shall for the time being be in force there shall be forwarded to the appropriate offices of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice. Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

## AUDIT

Auditors.

147. Auditors shall be appointed and their duties regulated in accordance with sections 159 to 162 of the Act.

## NOTICES

Service of notices.

148. Any notice or other document may be served by the Company on 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. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

Members outside United Kingdom.

149. Any Member described in the Register by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid no Member other than a Member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.

Proof of service.

150. Any notice or other document, if served by post, shall be deemed to have been served at the time when the same was put into the post office, and in proving such service it shall be sufficient

to prove that the notice or document was properly addressed, stamped and put into the post office.

Death and bankruptcy.

151. Any notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service of the notice or document, have been removed from the Register as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

## WINDING-UP

Division in specie on winding up.

152. If the Company shall be wound up the Liquidator may, with the sanction of an extraordinary resolution of the members, divide among the members in specie or kind the whole or any part of the assets of the Company and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the Liquidator, with the like sanction, shall think fit.

## INDEMNITY

Indemnity of Directors.

153. Every Director, Managing Director, Manager, Officer and Auditor of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, Managing Director, Manager, Officer or Auditor 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 488 of the Act in which relief is granted to him by the Court.

No. 309779

*COMPANY LIMITED BY SHARES*

# Memorandum

AND

# Articles of Association

OF

CARPETS INTERNATIONAL LIMITED

*New Articles of Association as adopted by Special Resolution passed 10th December, 1953 and reprinted in April, 1967 to include all amendments made thereto by Special Resolutions subsequently passed up to and including 31st March, 1967.*

*Incorporated the 27th day of January, 1936.*

LINKLATERS & PAINES,
BARRINGTON HOUSE,
59-67, GRESHAM STREET,
LONDON, E.C.2.

1492 BURRUP, MATHIESON & CO., LTD., LONDON, S.E.1.
S18497P/MP

THE COMPANIES ACTS 1948 TO 1980

Form No

# Application by an old public company for re-registration as a public company

Pursuant to section 8(3) of the Companies Act 1980

RZ

Please do not write in the binding margin

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

For official use 213L

Company number 309799

Name of company

*Insert full name of company

CARPETS INTERNATIONAL LIMITED

hereby applies to be re-registered as a public company under the Companies Acts 1948 to 1980 by the name of CARPETS INTERNATIONAL P.L.C.

and, for that purpose, delivers the undermentioned documents for registration under the said Acts.

†delete as appropriate

Signed [signature] [Secretary]† Date 12/10/81

Documents delivered for registration with this application

1 Printed copy of Memorandum as altered in pursuance of the Directors resolution under section 8(4) of the Companies Act 1980

2 Declaration made by a Director or the Secretary (on Form No. R8) of the company verifying that a Directors Resolution under section 8(3) of the Companies Act 1980 has been passed and that the conditions specified in section 8(11) have been satisfied.

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

LINKLATERS & PAINES (AJC)
BARRINGTON HOUSE
59-67 GRESHAM STREET
LONDON EC2V 7JA

For official use
General section

Post room

oyez The Solicitors Law Stationery Society plc, Oyez House, 237 Long Lane, London SE1 4PU

THE COMPANIES ACTS 1948 TO 1980

Form No. R8

# Declaration by Director or Secretary on application by an old public company for re-registration as a public company

Pursuant to section 8(5)(b) of the Companies Act 1980

R8

Please do not write in this binding margin

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

For official use 2135

Company number 309779

Name of company

CARPETS INTERNATIONAL LIMITED

~~Limited~~

I, Norman Varcoe GRIMSHAW

of 14 Hill View Road, Hanbury Park, WORCESTER WR2 4PJ

*delete as appropriate being [the secretary] ~~[a director]~~* of the above named company, do solemnly and sincerely declare that:

1 the directors have passed a resolution complying with section 8(4) of the Companies Act 1980 that the company should be re-registered as a public company; and

2 the conditions specified in section 8(11) of the Companies Act 1980 were satisfied at the time of the resolution.

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

Declared at Carlton House Kidderminster in the County of Hereford and Worcester

the twelfth day of October

One thousand nine hundred and eighty one

before me P.P.C. Hill.

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

Signature of Declarant

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

LINKLATERS & PAINES (AJC)
BARRINGTON HOUSE,
59-67 GRESHAM STREET,
LONDON EC2V 7JA

For official use
General section

Post room

15 OCT 1981

Oyez Publishing Limited, Norwich House, 11/13 Norwich Street, London EC4A 1AP

304779

THE COMPANIES ACTS 1929 to 1967

COMPANY LIMITED BY SHARES

# M E M O R A N D U M  O F  A S S O C I A T I O N

OF

## CARPETS INTERNATIONAL P.L.C.

(As altered by a Resolution of the Directors passed on 8th October, 1981)

1. The name of the Company is "CARPETS INTERNATIONAL P.L.C."

2. The Company is to be a public company.

3. The registered office of the Company will be situate in England.

4. The objects for which the Company is formed are:-

(1) To purchase or otherwise acquire the goodwill of the business of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto heretofore carried on by C.X.T.Limited (formerly Carpet Trades Limited and now in voluntary liquidation) and all or any part or parts of the assets of the said Company and to take over and undertake all or any of the liabilities of the said Company upon such terms as shall be thought fit and for that purpose to enter into and carry into effect with or without modification an Agreement expressed to be made between C.X.T. Limited (now in voluntary liquidation) of the first part John Benjamin Hill the Liquidator of C.X.T. Limited of the second part and this Company of the third part and to carry on and develop the said business.

Signed for the purpose of identification

J.M. Carpenter
Chairman

October 8th 1981

Note:- The name of the Company was changed (i) on 14th December, 1953, to JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED pursuant to Special Resolution dated 10th Decemberm 1953 and (ii) on 10th April 1969, to "CARPETS INTERNATIONAL LIMITED" pursuant to Special Resolution dated 9th April, 1969.

(2) To carry on all or any of the businesses of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto spinners doublers or twisters of cotton flax hemp jute wool and wool derivatives and other fibrous substances bleachers dyers makers and dealers in bleaching and dyeing materials; to buy sell sort comb card prepare weave felt or otherwise manufacture dye finish and otherwise deal with and deal in in the raw manufactured or semi-manufactured state wool and wool derivatives cotton flax hemp jute silk and other fibrous substances and other goods and fabrics of all kinds and to subscribe for acquire and hold share stocks or securities of companies whose objects include the carrying on of all or any such businesses as aforesaid.

(3) To carry on the business of mechanical engineers iron founders and manufacturers of machinery of all kinds tool makers brass founders metal workers boiler makers millwrights machinists iron and steel converters smiths woodworkers builders painters metallurgists electrical and water engineers gas makers and merchants and to buy sell manufacture repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the manufacturing or engineering business of the Company or any contract undertaken by the Company and either for the purpose only of such contract or of any independent business.

(4) To construct execute carry out improve work develop administer manage or control public or private works or conveniences of all kinds including railways tramways roads canals docks reservoirs embankments markets sewerage or drainage water gas electric light hydraulic irrigation and other works and to lay out land for building and to construct and maintain roads or streets and to erect work or operate or advance money for the purpose of erecting working or operating dwellinghouses warehouses hotels shops stores factories mills and every other description of buildings.

(5) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company.

(6) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business similar analogous or subsidiary to any of the objects of the Company.

(7) To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any branch or business so carried on or for financing any such subsidiary company or a company which is directly or indirectly controlled by this Company or in which this Company holds a substantial interest or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business and to act as directors or managers of or to appoint directors or managers of any such subsidiary company or of any other company in which this Company is interested.

(8) To purchase lease or otherwise acquire and build upon any land and to alter enlarge rebuild or otherwise improve any buildings or other property from time to time belonging to the Company or in which the Company may be interested.

(9) To buy or otherwise acquire underwrite issue hold place sell lend money on the security of or otherwise deal with stocks shares bonds debentures and securities of all kinds and to give any guaranty or security in relation thereto or otherwise in connection with any stocks shares bonds debentures or securities.

(10) To purchase or by any other means acquire and protect prolong and renew in the United Kingdom or in any part of the world any patents patent rights brevets d'invention licences protections and concessions which may appear likely to be advantageous or useful to the

(17) To enter into partnership or any joint purse arrangement or any arrangement for sharing profits union of interests or co-operation with any company firm or person carrying on or proposing to carry on any business within the objects of this Company and to acquire and hold shares stock or securities of any such company and to lend money to guarantee the contract of or otherwise assist any such company firm or person.

(18) To establish or promote subsidise and assist or concur in establishing or promoting subsidising and assisting any other companies syndicates and partnerships British or foreign whose objects shall include the acquisition and taking over of all or any of the assets rights and liabilities of or shall be considered in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire hold and deal in and with the shares stock or securities of and guarantee the payment of any securities issued by or any other obligation of any such company or the payment of dividends on the shares or stocks of any such company.

(19) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) or any corporations companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government authority corporation company or person any charters contracts decrees rights privileges and concessions which the Company may think desirable and to carry out exercise and comply with any such charters contracts decrees rights privileges and concessions.

(20) To promote any bills in Parliament for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in its constitution or furthering the interests of its Members and to support or oppose any bills in Parliament promoted by others.

(21) To amalgamate with any other company whose objects are or include objects similar to any of those of this Company whether by sale or purchase (for shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any

such other company as aforesaid or by partnership or any arrangement of the nature of partnership or in any other manner.

(22) To sell exchange let on rent royalty tribute share of profits or otherwise grant licences easements and other rights of and over and in any other manner deal with turn to account or dispose of the undertaking and all or any of the property assets rights and effects for the time being of the Company for such consideration as may be thought fit and in particular wholly or partly for shares stocks debentures or securities or obligations of any other company or of any authority (supreme municipal local or otherwise).

(23) To distribute among the Members or any class of Members *in specie* any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(24) To pay all or any part of the expenses of and incident to the formation and establishment of this Company and to remunerate any parties for sevices rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures debenture stock or other securities of the Company or in about the conduct of the Company's business.

(25) To do all or any of the above things in any part of the world and either as principals or agents and either through agents trustees or otherwise and either alone or in conjunction with others.

(26) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

Provided that nothing herein contained shall empower the Company to carry on the business of assurance or to grant annuities within the meaning of the Assurance Companies Act, 1909, as extended by the Industrial Assurance Act, 1923, or the Road Traffic Acts, 1930 to 1934, or to re-insure any risks under any class of assurance business to which those Acts apply.

And it is hereby declared that the word "Company" in this clause except where used in reference to this company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere and that the objects specified in the different paragraphs of this clause shall except where otherwise expressed in such paragraphs be in nowise limited by reference to or inference from any other paragraphor the name of the Company.

5. The liability of the Members is limited.

6. The share capital of the Company is *£500,000 dividend into 1,000,000 shares of 10s.each.

---

*From time to time the share capital has been increased and by Special Resolution passed 1st March, 1967 was reduced and as appears from the Minutes approved by the Court by Order dated 20th March,1967 confirming such reduction of capital an Office Copy of which was delivered to the Registrar of Companies for registration on 31st March,1967, the share capital of the Company on that date was £7,000,000 dividend into 14,000,000 Ordinary Shares of 50p each and by an Ordinary Resolution dated 6th February,1976 the share capital of the Company was increased to £14,500,000 dividend into 29,000,000 Ordinary shares of 50p each.

# FILE COPY

## CERTIFICATE OF INCORPORATION
## ON RE-REGISTRATION AS A PUBLIC COMPANY

No. 309779/237

I hereby certify that

CARPETS INTERNATIONAL P.L.C.

has this day been re-registered under the Companies Acts 1948 to 1980 as a public company, and that the company is limited.

Dated at Cardiff the 20TH OCTOBER 1981

Assistant Registrar of Companies

C 455

58

THE COMPANIES ACTS 1948 TO 1976

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

OF

COMMERCIAL & INDUSTRIAL SECURITIES LIMITED

PASSED 22ND DECEMBER 1982

AT AN EXTRAORDINARY GENERAL MEETING OF THE ABOVE COMPANY DULY CONVENED AND HELD ON 22ND DECEMBER 1982 THE FOLLOWING RESOLUTION WAS DULY PASSED AS A SPECIAL RESOLUTION:-

SPECIAL RESOLUTION

THAT the Articles of Association of the Company be amended by

(a) amending Article 2 by:-

(i) inserting "2(b)," after the word "Regulations" in line three

and

(ii) deleting the words "Regulation 11 of Table A, Part I shall be varied by omitting therefrom the words "other than fully paid shares"" and substituting therefor the words "Regulation 22 of Table A Part I shall be varied by omitting therefrom the words "and the transferee""

(b) deleting Article 9(1) to (11) both inclusive

(c) inserting a new Article 9(1) as follows:-

9(1) The Directors may decline to register

(a) any transfer of any share on which the company has a lien;

(b) any transfer of a share (not being a fully paid share) to a person of whom they shall not approve

(d) re-numbering Article 9(12) as 9(2).

Certified true copy and produced by electrostatic photocopying

.....
Secretary

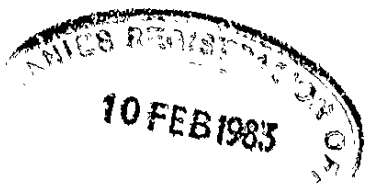
J.H. SEYMOUR

Chairman

No. 303779/249

THE COMPANIES ACTS 1948 to 1981

COMPANY LIMITED BY SHARES




SPECIAL RESOLUTION

OF

CARPETS INTERNATIONAL P.L.C.

(Passed 10th January, 1983)

AT an EXTRAORDINARY GENERAL MEETING of the above-named Company, duly convened, and held at Mill Street, Kidderminster, Worcestershire on the 10th day of January, 1983, the following SPECIAL RESOLUTION was duly passed:-

THAT the Articles of Association of the Company be altered:

(A) by the deletion of Article 8 and the substitution therefor of the following new Article:

"8. At the date of adoption of this new Article 8 the share capital of the Company is £14,500,000 divided into 23,679,407 Ordinary Shares of 50p each and 26,602,965 "A" Ordinary Shares of 10p each which two classes of Shares shall enjoy the special rights and privileges and be subject to the special restrictions and limitations as follows:-

(1) *As regards income*
In respect of any financial year or other period the profits of the Company which it shall from time to time be determined to distribute shall be applied in paying dividends on the Ordinary Shares and "A" Ordinary Shares as if each such share was of like nominal value and Article 131 shall be deemed to be amended accordingly.

(2) *As regards capital*
On a return of capital in a winding up or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority:--

(i) first in repaying to the holders of "A" Ordinary Shares the capital paid up thereon together with a premium of 5p per share and to the holders of Ordinary Shares 15p per share on account of the capital paid up thereon
(ii) second in repaying to the holders of Ordinary Shares the balance of the capital paid up thereon
(iii) third in distributing to the holders of "A" Ordinary Shares a further 35p per share
(iv) finally in distributing the balance (if any) amongst the holders of Ordinary Shares and "A" Ordinary Shares rateably according to the number held.

(3) *As regards issue of "A" Ordinary Shares*
So long as the whole or any part of the principal sum of £2,500,000 or interest thereon remains outstanding pursuant to an agreement made the 17th day of December, 1982 between Interface Flooring Systems Inc. (hereinafter called "Interface") of the one part and the Company of the other part (hereinafter called the "Agreement") and save in respect of the one "A" Ordinary Share issued to Interface pursuant to the Agreement no "A" Ordinary Shares shall be issued to any person other than the person entitled to the benefit of the Agreement and in accordance with the provisions contained therein or in the Loan Agreement therein referred to.

(4) *As regards Directors*

(a) The holders of the majority of the "A" Ordinary Shares may from time to time –

(1) appoint any person or persons to be a Director or Directors (any such person being hereinafter called an "A" Director)

(2) remove any "A" Director so appointed (but without prejudice to the right of such holders to appoint another person in his place)

provided that the total number of the "A" Directors at any time shall not exceed two in the event that the total number of Directors for the time being holding office is seven or less or shall not exceed three in the event that the total number of Directors so holding office is in excess of seven.

(ii) Any such appointment or removal shall be effected in writing served on the Company at its registered office for the time being and signed by the majority of the holders of the "A" Ordinary Shares (in the case of a corporation by a director or the secretary thereof or its duly appointed attorney or duly authorised representative) or by resolution passed at a separate General Meeting of the holders of the "A" Ordinary Shares.

(b) An "A" Director shall not be required to hold any share qualification and Article 89 shall be deemed to be amended accordingly

(c) Save as provided by this Article and subject to the provisions of the Act, no "A" Director shall be appointed or removed from office, and the Company in General meeting shall have no power of appointing or removing "A" Directors, but each "A" Director shall hold office until he either is removed in manner provided by this Article or dies or otherwise vacates office under the provisions contained in paragraphs (a), (b) and (d) of Article 90 and Articles 90, 91, and 109 shall be deemed to be amended accordingly.

(d) Notwithstanding any other provision contained in these Articles no person other than the Directors holding office as at the date of the adoption of this Article shall be eligible for appointment as a Director of the Company unless he shall first have received the approval of the holders of a majority of the "A" Ordinary Shares. Any such approval shall be given in like manner as provided in paragraph (4) (a) (ii) of this Article 8. Articles 112, 114, 117 and 118 shall be deemed to be amended accordingly.

(e) At least forty eight hours notice of any Board Meeting shall be given to any "A" Director irrespective of whether he is absent from the United Kingdom or not and telex notice of such meeting shall immediately be given to the person holding the greatest aggregate number of "A" Ordinary Shares for the time being and Article 119 shall be deemed to be amended accordingly.

(5) *Modification of Rights*

Notwithstanding any other provisions of these Articles (and in particular but not limited to the provisions of Articles 52 and 55) and subject only to the provisions of the Act and Article 118 hereof no Resolution of the Board of Directors of the Company or of the Company in General Meeting: –

(a) To remove an "A" Director

(b) To increase, reduce, consolidate or sub-divide the share capital of the Company

(c) To increase the number of Directors beyond nine

(d) To alter, add to, or delete any of the provisions of this Article 8

(e) To allot or issue any shares in the capital of the Company

may be passed without the holders of the majority of the "A" Ordinary Shares in issue having signified their approval in writing thereto (in the case of a Resolution of the Board of Directors) or voted in favour thereof (in the case of a Resolution of the Company in General Meeting)."

(B) by the deletion of Article 14 and the substitution therefor of the following new Article:

"14. (a) In accordance with Section 14 of the Companies Act 1980 the Directors shall be generally and unconditionally authorised--

(i) to exercise any power of the Company to allot relevant securities, as defined in that section; and

(ii) on behalf of the Company to make any offer or agreement which will or might require relevant securities, as so defined, to be allotted after the authority expires.

Such authority shall extend to the whole of the unissued nominal capital of the Company at the date of the adoption of this Article being £2,660,295.60 divided into 26,602,956 "A" Ordinary Shares of 10p each and shall expire on 9th January, 1988 (unless more than five years from that date) provided that such authority may be revoked, varied or renewed by the Company in general meeting

(b) In accordance with Section 18 of the Companies Act 1980 the Directors shall have power –

(i) to allot equity securities as defined in Section 17 (1) of that Act pursuant to the authority conferred by paragraph (a) above as if Section 17 (1) of that Act did not apply to the allotment, and

(ii) on behalf of the Company to make any offer or agreement which will or might require equity securities, as so defined, to be allotted after the power expires.

Such power shall cease to have effect when the authority conferred by paragraph (a) above is revoked or would, if not renewed, expire but if that authority is renewed the power may by special resolution also be renewed, for a period not longer than that for which the authority is renewed

(c) Subject to the provisions of these presents including Article 8 (3) and the Companies Acts 1948 to 1981, the unissued shares of the Company whether forming part of the original or any increased capital shall be at the disposal of the Board, which may allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine, but so that no shares shall be issued at a discount".

(C) by the deletion of Article 53.

(D) by the deletion of Article 54 and the substitution therefor of the following:

"54. The new shares shall be subject to all the provisions of these presents with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise and, unless otherwise provided in accordance with these presents, shall be issued as "A" Ordinary Shares"

(E) by the addition to Article 66 of the following to be inserted immediately after the words "three Members" on the fourth line of the Article:

"or one Member being a holder of an "A" Ordinary Share,"

(F) by the deletion of Article 72 and the substitution therefor of the following:

"72. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every Ordinary Share or "A" Ordinary Share of which he is the holder".

(G) by the deletion of Article 84 and the substitution therefor of the following:

"84 The Directors shall be not less than two and not more than nine in number."

(H) by the deletion of Article 116.

(I) by the addition to Article 118 after the first sentence of the following sentence:

"Notwithstanding the provisions of Article 72, on any such resolution to remove an "A" Director from office the votes cast by the holders of "A" Ordinary Shares shall constitute 75 per cent. of the votes cast."

(J) by the deletion of Article 124 and the substitution therefor of the following:

"124. The Board may delegate any of its powers to committees as it thinks fit provided that at least one third of the members of any such committee comprise "A" Directors. 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 Board."

(K) by the addition of the following Article after Article 127 to be numbered Article 127A:

"127A. Any Director who is outside, or about to leave, the United Kingdom may by notice in writing to the Company appoint some other person to be his alternate or substitute Director during his absence from the United Kingdom and such alternate Director shall have in all respects the same rights and powers as the Appointor. Any person so appointed shall vacate office if and when the Appointor vacates office as a Director, or removes the appointee from office by notice in writing to the Company."

(L) by the addition of the following Article to be inserted immediately after Article 129 and numbered Article 129A:

"129A. The record date for any dividend declared by the Company (for the avoidance of doubt being the date on which the Members entitled to any dividend declared by the Company are to be ascertained) shall be a date not less than 21 days after the date on which such dividend is declared."

(M) by the addition to Article 141 of the words "and "A" Ordinary Shares" to be inserted immediately after the words "Ordinary Shares" on each of the eighth and ninth lines of the Article.

(N) by the addition of the following Article after Article 141 to be numbered 141A:

"141A. The Company in general meeting may on the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying up in full unissued shares to be allotted as fully paid bonus shares to those members of the Company who would have been entitled to that sum if it were distributed by way of dividend (and in the same proportions), and the Directors shall give effect to such resolution."

(O) by the deletion of Article 149 and the substitution therefor of the following:

"149. Any Member described in the Register by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid and save in the case of a holder of "A" Ordinary Shares no Member other than a Member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company."

(P) by the deletion of Article 150 and the substitution therefor of the following:

"150. Any notice or other document, if served by post, shall be deemed to have been served forty-eight hours after the same shall have been put into the post office, and in proving such service it shall be sufficient to prove that the notice or document was properly addressed, stamped and put into the post office and that in the case of a Member being a holder of an "A" Ordinary Share described in the Register by an address not within the United Kingdom that the notice or document was despatched by registered airmail."

H. Grierson
Secretary

FILED PURSUANT TO SECTION 9
EUROPEAN COMMUNITIES ACT 1972

No. 309779/250

Linklaters & Paines

LINKLATERS & PAINES

*The Companies Acts* 1929 *to* 1981

COMPANY LIMITED BY SHARES

# Memorandum

AND

# Articles of Association

OF

# CARPETS INTERNATIONAL P.L.C.

*New Articles of Association as adopted by Special Resolution passed 10th December,* 1953 *and reprinted in March,* 1983 *to include all amendments made thereto by Special Resolutions subsequently passed up to and including 10th January,* 1983.

**Incorporated the 27th day of January, 1936.**

LINKLATERS & PAINES,
BARRINGTON HOUSE,
59-67, GRESHAM STREET,
LONDON EC2V 7JA.

LINKLATERS & PAINES
BARRINGTON HOUSE,
59-67, GRESHAM STREET,
LONDON EC2V 7'A
TEL 01-606 7080

SHR.

No. 309779

# Certificate of Incorporation

[copy]

## on Re-Registration as a Public Company

I HEREBY CERTIFY that CARPETS INTERNATIONAL P.L.C. has this day been re-registered under the Companies Acts 1948 to 1980 as a public company, and that the company is limited.

DATED at Cardiff the 20th October, 1981.

B. HAYWARD,
*Assistant Registrar of Companies.*

8 APR 1983

*The Companies Acts* 1929 *to* 1981

COMPANY LIMITED BY SHARES

# Memorandum of Association

OF

# CARPETS INTERNATIONAL P.L.C.

*(as altered by a Resolution of the Directors passed on 8th October,* 1981)

1. The name of the Company is "CARPETS INTERNATIONAL P.L.C.".*

2. The Company is to be a public company.

3. The registered office of the Company will be situate in England.

4. The objects for which the Company is formed are:—

(1) To purchase or otherwise acquire the goodwill of the business of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto heretofore carried on by C.X.T. Limited (formerly Carpet Trades Limited and now in voluntary liquidation) and all or any part or parts of the assets of the said Company and to take over and undertake all or any of the liabilities of the said Company upon such terms as shall be thought fit and for that purpose to enter into and carry into effect with or without modification an Agreement expressed to be made between C.X.T. Limited (now in voluntary liquidation) of the first part John Benjamin Hill the Liquidator of C.X.T. Limited of the second part and this Company of the third part and to carry on and develop the said business.

(2) To carry on all or any of the businesses of manufacturers of and dealers in carpets rugs mats floor coverings furniture

*The name of the Company was changed (i) on 14th December, 1953, to "JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED" pursuant to Special Resolution dated 10th December 1953 and (ii) on 10th April 1969, to "CARPETS INTERNATIONAL LIMITED" pursuant to Special Resolution dated 9th April, 1969.

coverings and fabrics of all kinds and all products incident or allied thereto spinners doublers or twisters of cotton flax hemp jute wool and wool derivatives and other fibrous substances bleachers dyers makers and dealers in bleaching and dyeing materials; to buy sell sort comb card prepare weave felt or otherwise manufacture dye finish and otherwise deal with and deal in the raw manufactured or semi-manufactured state wool and wool derivatives cotton flax hemp jute silk and other fibrous substances and other goods and fabrics of all kinds and to subscribe for acquire and hold share stocks or securities of companies whose objects include the carrying on of all or any such businesses as aforesaid.

(3) To carry on the business of mechanical engineers iron founders and manufacturers of machinery of all kinds tool makers brass founders metal workers boiler makers millwrights machinists iron and steel converters smiths woodworkers builders painters metallurgists electrical and water engineers gas makers and merchants and to buy sell manufacture repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the manufacturing or engineering business of the Company or any contract undertaken by the Company and either for the purpose only of such contract or of any independent business.

(4) To construct execute carry out improve work develop administer manage or control public or private works or conveniences of all kinds including railways tramways roads canals docks reservoirs embankments markets sewerage or drainage water gas electric light hydraulic irrigation and other works and to lay out land for building and to construct and maintain roads or streets and to erect work or operate or advance money for the purpose of erecting working or operating dwellinghouses warehouses hotels shops stores factories mills and every other description of buildings.

(5) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or

indirectly to enhance the value of or render profitable any of the property or rights of the Company.

(6) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business similar analogous or subsidiary to any of the objects of the Company.

(7) To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any branch or business so carried on or for financing any such subsidiary company or a company which is directly or indirectly controlled by this Company or in which this Company holds a substantial interest or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business and to act as directors or managers of or to appoint directors or managers of any such subsidiary company or of any other company in which this Company is interested.

(8) To purchase lease or otherwise acquire and build upon any land and to alter enlarge rebuild or otherwise improve any buildings or other property from time to time belonging to the Company or in which the Company may be interested.

(9) To buy or otherwise acquire underwrite issue hold place sell lend money on the security of or otherwise deal with stocks shares bonds debentures and securities of all kinds and to give any guaranty or security in relation thereto or otherwise in connection with any stocks shares bonds debentures or securities.

(10) To purchase or by any other means acquire and protect prolong and renew in the United Kingdom or in any part of the world any patents patent rights brevets d'invention licences protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend

money in experimenting upon and testing and in improving or seeking to improve any patents inventions or rights which the Company may acquire or propose to acquire.

(11) To pay for any property acquired by the Company in shares stock profit-sharing certificates bonds debentures debenture stock or obligations of the Company whether fully or partly paid.

(12) To borrow raise or secure the repayment of money by debentures debenture stock bonds or other obligations and securities of the Company which may be secured upon all or any part of the property of the Company (both present and future) including its uncalled capital or by receiving moneys on loan or deposit at interest or otherwise or in such manner and on such terms as may seem expedient.

(13) To guarantee or become liable for the payment of money or for the performance of any obligations also to transact all kinds of agency business.

(14) To grant pensions allowances gratuities and bonuses to persons who are or have at any time been employed by or trading with the Company or any predecessor of the Company in business or to the wives widows families relatives or dependants of any such persons and to support and subscribe to any schools and any educational scientific literary religious or charitable institution or trade societies whether such societies be solely connected with the trade carried on by the Company or not and any club or other establishment calculated to advance the interests of the Company or of any such persons as aforesaid.

(15) To make accept endorse discount issue and execute promissory notes bills of exchange and other negotiable instruments.

(16) To invest lend or deal with the moneys of the Company not immediately required upon such securities or investments (not being shares of the Company) or in such manner as may from time to time be determined.

(17) To enter into partnership or any joint purse arrangement or any arrangement for sharing profits union of interests or co-operation with any company firm or person carrying on

or proposing to carry on any business within the objects of this Company and to acquire and hold shares stock or securities of any such company and to lend money to guarantee the contract of or otherwise assist any such company firm or person.

(18) To establish or promote subsidise and assist or concur in establishing or promoting subsidising and assisting any other companies syndicates and partnerships British or foreign whose objects shall include the acquisition and taking over of all or any of the assets rights and liabilities of or shall be considered in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire hold and deal in and with the shares stock or securities of and guarantee the payment of any securities issued by or any other obligation of any such company or the payment of dividends on the shares or stocks of any such company.

(19) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) or any corporations companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government authority corporation company or person any charters contracts decrees rights privileges and concessions which the Company may think desirable and to carry out exercise and comply with any such charters contracts decrees rights privileges and concessions.

(20) To promote any bills in Parliament for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in its constitution or furthering the interests of its Members and to support or oppose any bills in Parliament promoted by others.

(21) To amalgamate with any other company whose objects are or include objects similar to any of those of this Company whether by sale or purchase (for shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any such other company as aforesaid or by partnership or any arrangement of the nature of partnership or in any other manner.

(22) To sell exchange let on rent royalty tribute share of profits or otherwise grant licences easements and other rights of and over and in any other manner deal with turn to account or dispose of the undertaking and all or any of the property assets rights and effects for the time being of the Company for such consideration as may be thought fit and in particular wholly or partly for shares stocks debentures or securities or obligations of any other company or of any authority (supreme municipal local or otherwise).

(23) To distribute among the Members or any class of Members *in specie* any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(24) To pay all or any part of the expenses of and incident to the formation and establishment of this Company and to remunerate any parties for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures debenture stock or other securities of the Company or in about the conduct of the Company's business.

(25) To do all or any of the above things in any part of the world and either as principals or agents and either through agents trustees or otherwise and either alone or in conjunction with others.

(26) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

Provided that nothing herein contained shall empower the Company to carry on the business of assurance or to grant annuities within the meaning of the Assurance Companies Act, 1909, as extended by the Industrial Assurance Act, 1923, or the Road Traffic Acts, 1930 to 1934, or to re-insure any risks under any class of assurance business to which those Acts apply.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United

Kingdom or elsewhere and that the objects specified in the different paragraphs of this clause shall except where otherwise expressed in such paragraphs be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

5. The liability of the Members is limited.

6. The share capital of the Company is *£500,000 divided into 1,000,000 shares of 10s. each.

See footnote

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*Footnote:*

*(i) From time to time the share capital has been increased and by Special Resolution passed 1st March, 1967 was reduced and as appears from the Minutes approved by the Court by Order dated 20th March, 1967 confirming such reduction of capital, an Office Copy of which was delivered to the Registrar of Companies for registration on 31st March, 1967, the share capital of the Company on that date was £7,000,000 divided into 14,000,000 Ordinary Shares of 50p each.

(ii) By Special Resolution dated 9th April, 1969 the share capital of the Company was increased to £10,250,000 divided into 20,500,000 Ordinary Shares of 50p each.

(iii) By Ordinary Resolution dated 29th May, 1974 the share capital of the Company was increased to £11,250,000 divided into 22,500,000 Ordinary Shares of 50p each.

(iv) By Ordinary Resolution dated 6th February, 1976 the share capital of the Company was increased to £14,500,000 divided into 29,000,000 Ordinary Shares of 50p each.

(v) By Ordinary Resolution dated 10th January, 1983 the share capital of the Company was sub-divided into 23,679,407 Ordinary Shares of 50p each and 26,602,965 "A" Ordinary Shares of 10p each (by the sub-division of each of the 5,320,593 unissued Ordinary Shares of 50p each in the share capital of the Company into 5 "A" Ordinary Shares of 10p each).

*The Companies Acts* 1929 *to* 1981

COMPANY LIMITED BY SHARES

# Articles of Association

OF

# CARPETS INTERNATIONAL P.L.C.

*(As adopted by Special Resolution passed 10th December,* 1953 *and reprinted in March,* 1983, *to include all amendments made thereto by Special Resolutions passed up to and including 10th January,* 1983)

## TABLE A

Table A not to apply.

1. Neither the regulations in Table A in the First Schedule to the Companies Act, 1929, nor the regulations in Table A in the First Schedule to the Companies Act, 1948 shall apply to the Company.

## INTERPRETATION

Interpretation.

2. In these presents if not inconsistent with the subject or context:—

The words standing in the first column of the following Table shall bear the meanings set opposite to them respectively in the second column thereof.

| WORDS | MEANINGS |
|---|---|
| The Acts .. .. | The Companies Act, 1948. |
| These presents .. | These Articles of Association as now framed or as from time to time altered by special resolution. |
| The Office .. | The Registered Office of the Company. |
| The Seal .. .. | The Common Seal of the Company. |
| The United Kingdom | Great Britain and Northern Ireland. |

| WORDS | MEANINGS |
|---|---|
| The Board .. | The Board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present. |
| The Register .. | The Register of Members of the Company. |
| In writing .. .. | Written or produced by any substitute for writing, or partly written and partly so produced. |
| Paid up .. .. | Paid up or credited as paid up. |

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;

Words importing persons shall include corporations;

The expressions "debenture" and "debenture holder" shall include "debenture stock" and "debenture stockholder";

The expression "the Secretary" shall include a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary;

The expression "dividend" shall include "bonus";

Reference to any provision of the Act shall be construed as a reference to such provision as modified by any Statute for the time being in force.

3. Subject to the last preceding Article, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

## BUSINESS

Agreement on formation.

4. The Company was formed on the basis of the Agreement referred to in paragraph 3 (1) of the Company's Memorandum of Association and no objection to the validity of that Agreement shall be raised on the ground that the Vendors stood in a fiduciary relation to the Company or that any of the Directors of the Company accepted

office at their request and that the Board was not therefore an independent Board and the Vendors shall be entitled to retain any consideration or benefit under the said Agreement and shall not be accountable for the same or any part thereof and no claim in respect thereof shall be made by the Company or any of its Members or the Liquidator thereof against the Vendors on the ground that they stood in any such fiduciary relation as aforesaid or otherwise.

5. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall think fit, and further may be suffered by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with the same.

What business may be undertaken by the Board.

6. The Office shall be at such place in England as the Board shall from time to time appoint.

Registered Office.

7. No part of the funds of the Company shall be employed in the subscription or purchase of or in loans upon the security of the Company's shares or those of its holding company (if any) and the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with any purchase or subscription by any person of shares in the Company or in its holding company (if any) nor make, or guarantee or provide any security in connection with, a loan to any Director of the Company or of its holding company (if any); but nothing in this Article shall prohibit transactions authorised by sections 54 or 190 of the Act.

Company funds may not be used to subscribe shares in Company.

Loan to Director.

## SHARE CAPITAL

8. At the date of adoption of this new Article 8 the share capital of the Company is £14,500,000 divided into 23,679,407 Ordinary Shares of 50p each and 26,602,965 "A" Ordinary Shares of 10p each which two classes of shares shall enjoy the special rights and privileges and be subject to the special restrictions and limitations as follows:—

Capital. As inserted by Special Resolution passed 10th January, 1983.

(1) *As regards income*

In respect of any financial year or other period the profits of the Company which it shall from time to time be determined to distribute shall be applied in paying dividends on the Ordinary

Shares and "A" Ordinary Shares as if each such share was of like nominal value and Article 131 shall be deemed to be amended accordingly.

(2) *As regards capital*
On a return of capital in a winding up or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority:—

(i) first in repaying to the holders of "A" Ordinary Shares the capital paid up thereon together with a premium of 5p per share and to the holders of Ordinary Shares 15p per share on account of the capital paid up thereon;

(ii) second in repaying to the holders of Ordinary Shares the balance of the capital paid up thereon;

(iii) third in distributing to the holders of "A" Ordinary Shares a further 35p per share;

(iv) finally in distributing the balance (if any) amongst the holders of Ordinary Shares and "A" Ordinary Shares rateably according to the number held.

(3) *As regards issue of "A" Ordinary Shares*
So long as the whole or any part of the principal sum of £2,500,000 or interest thereon remains outstanding pursuant to an agreement made the 17th day of December, 1982 between Interface Flooring Systems Inc. (hereinafter called "Interface") of the one part and the Company of the other part (hereinafter called the "Agreement") and save in respect of the one "A" Ordinary Share issued to Interface pursuant to the Agreement no "A" Ordinary Shares shall be issued to any person other than the person entitled to the benefit of the Agreement and in accordance with the provisions contained therein or in the Loan Agreement therein referred to.

(4) *As regards Directors*

(*a*) (i) The holders of the majority of the "A" Ordinary Shares may from time to time:—

(1) appoint any person or persons to be a Director or Directors (any such person being hereinafter called an "'A" Director');

(2) remove any "A" Director so appointed (but without prejudice to the right of such holders to appoint another person in his place);

provided that the total number of the "A" Directors at any time shall not exceed two in the event that the total number of Directors for the time being holding office is seven or less or shall not exceed three in the event that the total number of Directors so holding office is in excess of seven.

(ii) Any such appointment or removal shall be effected in writing served on the Company at its registered office for the time being and signed by the majority of the holders of the "A" Ordinary Shares (in the case of a corporation by a director or the secretary thereof or its duly appointed attorney or duly authorised representative) or by resolution passed at a separate general meeting of the holders of the "A" Ordinary Shares.

(*b*) An "A" Director shall not be required to hold any share qualification and Article 89 shall be deemed to be amended accordingly.

(*c*) Save as provided by this Article and subject to the provisions of the Act, no "A" Director shall be appointed or removed from office, and the Company in general meeting shall have no power of appointing or removing "A" Directors, but each "A" Director shall hold office until he either is removed in manner provided by this Article or dies or otherwise vacates office under the provisions contained in paragraphs (*a*), (*b*) and (*d*) of Article 90 and Articles 90, 91 and 109 shall be deemed to be amended accordingly.

(*d*) Notwithstanding any other provision contained in these Articles no person other than the Directors holding office as at the date of the adoption of this Article shall be eligible for appointment as a Director of the Company unless he shall first have received the approval of the holders of a majority of the "A" Ordinary Shares. Any such approval shall be given in like manner as provided in paragraph (4)(*a*)(ii) of this Article 8. Articles 112, 114, 117 and 118 shall be deemed to be amended accordingly.

(*e*) At least forty-eight hours notice of any Board Meeting shall be given to any "A" Director irrespective of whether he is absent from the United Kingdom or not and telex notice of

such meeting shall immediately be given to the person holding the greatest aggregate number of "A" Ordinary Shares for the time being and Article 119 shall be deemed to be amended accordingly.

(5) *Modification of Rights*
Notwithstanding any other provisions of these Articles (and in particular but not limited to the provisions of Articles 52 and 55) and subject only to the provisions of the Act and Article 118 hereof no resolution of the Board of Directors of the Company or of the Company in general meeting:—

(*a*) To remove an "A" Director;

(*b*) To increase, reduce, consolidate or sub-divide the share capital of the Company;

(*c*) To increase the number of Directors beyond nine;

(*d*) To alter, add to, or delete any of the provisions of this Article 8;

(*e*) To allot or issue any shares in the capital of the Company;

may be passed without the holders of the majority of the "A" Ordinary Shares in issue having signified their approval in writing thereto (in the case of a resolution of the Board of Directors) or voted in favour thereof (in the case of a resolution of the Company in general meeting).

Article 9 deleted by Special Resolution passed 1st March, 1967.

Issue of shares.

10. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by resolution determine.

Redeemable preference shares.

11. Subject to the provisions of section 58 of the Act, any preference shares may, with the sanction of a special resolution, be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may by special resolution determine.

## MODIFICATION OF RIGHTS

How special class rights may be modified. As amended by Special Resolution passed 1st March, 1967.

12. Subject to the provisions of section 72 of the Act whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate meeting of such holders (but not otherwise) be modified or abrogated and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate meeting all the provisions of these presents relating to general meetings or to the proceedings thereat shall *mutatis mutandis* apply except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present in person or by proxy shall be a quorum) and that the holders of shares of the class shall on a poll have one vote in respect of every share of the class held by them respectively. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

Article 13 deleted by Special Resolution passed 1st March, 1967.

## SHARES

Power of Board to dispose of unissued shares. As inserted by Special Resolution passed 10th January, 1983.

14. (*a*) In accordance with section 14 of the Companies Act 1980 the Directors shall be generally and unconditionally authorised:—

(i) to exercise any power of the Company to allot relevant securities, as defined in that section; and

(ii) on behalf of the Company to make any offer or agreement which will or might require relevant securities, as so defined, to be allotted after the authority expires.

Such authority shall extend to the whole of the unissued nominal capital of the Company at the date of the adoption of this Article,

being £2,660,296.50 divided into 26,602,965 "A" Ordinary Shares of 10p each; and shall expire on 9th January,1988, being not more than five years from that date; provided that such authority may be revoked, varied or renewed by the Company in general meeting.

(*b*) In accordance with section 18 of the Companies Act 1980 the Directors shall have power:—

(i) to allot equity securities as defined in section 17(11) of that Act pursuant to the authority conferred by paragraph (*a*) above as if section 17(1) of that Act did not apply to the allotment; and

(ii) on behalf of the Company to make any offer or agreement which will or might require equity securities, as so defined, to be allotted after the power expires.

Such power shall cease to have effect when the authority conferred by paragraph (*a*) above is revoked or would, if not renewed, expire but if that authority is renewed, the power may by special resolution also be renewed, for a period not longer than that for which the authority is renewed.

(*c*) Subject to the provisions of these presents including Article 8(3) and the Companies Acts 1948 to 1981, the unissued shares of the Company whether forming part of the original or any increased capital shall be at the disposal of the Board, which may allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine, but so that no shares shall be issued at a discount.

Powers to pay commission and brokerage.

15. The Company may exercise the powers of paying commissions conferred by section 53 of the Act, provided that the rate or amount of the commission paid or agreed to be paid and the number of shares which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by the said section, and that such commission shall not exceed 10 per cent. of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent. of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and

partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

16. Except as ordered by a Court of competent jurisdiction or as by law required, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these presents or by law otherwise provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

Exclusion of trusts

17. Every person whose name is entered as a Member in the Register shall be entitled, without payment, to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares of any one class, or several certificates each for one or more of his shares of such class upon payment of such sum, not exceeding one shilling, for every certificate after the first as the Board shall from time to time determine. Provided always that when a Member has sold part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.

Issue of share certificates.

18. If a share certificate be defaced, lost or destroyed it may be replaced on payment of such fee (if any) not exceeding one shilling and on such terms (if any) as to evidence and indemnity and payment of the out-of-pocket expenses of the Company of investigating such evidence as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

Replacement of share certificates.

## LIEN

19. The Company shall have a lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share, and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company, and that whether the same shall have been incurred before or after notice to the Company of any equitable or

Company's lien on partly paid up shares.

other interest of any person other than such Member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends payable thereon. But the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

Sale of shares subject to lien.

20. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the holder for the time being of the share or to the person entitled by reason of his death or bankruptcy to the share.

Application of proceeds of sale.

21. The net proceeds of sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares and he 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.

## CALLS ON SHARES

Calls.

22. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal amount of the shares or be payable at less than one month from the date fixed for payment of the last previous call, and each Member shall (subject to the Company giving to him at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.

23. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

25. If a sum called in respect of a share be not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 10 per cent. per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

26. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

27. The Board may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

28. The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company in general meeting shall otherwise direct) 10 per cent. per annum as may be agreed upon between the Board and the Member paying such sum in advance.

## TRANSFER OF SHARES

29. Subject to such of the restrictions of these presents as may be applicable, any Member may transfer all or any of his shares by

transfer in writing in the usual common form or in any other form which the Board may approve.

Completion and effect of transfer. As amended by Special Resolution passed 1st March, 1967.

30. The instrument of transfer of a share shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of 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 in respect thereof. All instruments of transfer, when registered, shall be retained by the Company.

Power to decline registration of transfer.

31. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of shares (other than fully paid shares) to a person of whom it shall not approve. The Board may also decline to register any transfer of shares on which the Company has a lien.

Transfer fee and lodgment of transfer. As amended by Special Resolution passed 1st March, 1967.

32. The Board may also decline to recognise any instrument of transfer unless:—

(*a*) The instrument of transfer is lodged at the Office or such other place as the Board may appoint, accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(*b*) The instrument of transfer is in respect of only one class of share.

Notice of refusal to register.

33. If the Board refuses to register a transfer it shall, within two months after the date on which the transfer was lodged, send to the transferee notice of the refusal.

Closing of register.

34. The register of transfers may be closed at such times and for such period as the Board may from time to time determine provided always that it shall not be closed for more than thirty days in any year.

Article 35 deleted by Special Resolution passed 1st March, 1967.

## TRANSMISSION OF SHARES

Transmission on death.

36. In case of the death of a Member the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole holder, shall be the only persons 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 with other persons.

37. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.

Rights of unregistered personal representatives etc.

38. If the person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company a notice in writing signed by him, stating that he so elects. If he shall elect to have his nominee registered he shall testify his election by executing to his nominee a transfer of such share. All the limitations restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

Notice of election to be registered.

39. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member 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 the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof.

## FORFEITURE OF SHARES

Notice requiring payment of calls.

40. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any expenses which may have been incurred.

Date and place for payment.

41. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which and the place where the payment required by the notice 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 or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references herein to forfeiture shall include surrender.

Forfeiture.

42. If the requirements of any such notice as aforesaid be not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice of forfeiture.

43. When any share has been forfeited, notice of the forfeiture shall forthwith be given to the person who was, before forfeiture, the holder of the share or the person who was, before forfeiture, entitled to the share by reason of the death or bankruptcy of the holder (as the case may be); but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.

Disposal of forfeited shares.

44. A forfeited share shall be deemed to be the property of the Company and 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 Board shall think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board may think fit.

Liability of Member whose shares have been forfeited.

45. A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine, not exceeding ten per cent. per annum, from the date of forfeiture until payment.

Title to forfeited shares.

46. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the

same is sold or disposed of, and he shall thereupon be registered as the holder of the share 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 irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

## STOCK

47. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may reconvert any stock into paid up shares of any denomination. Power to convert paid up shares into stock.

48. Subject to the provisions of the next following Article the holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit. Transfer of stock.

49. The Board may in relation to any class of stock, from time to time fix the minimum amount of such stock transferable and restrict or forbid the transfer of fractions of such minimum, but the minimum shall not exceed the nominal amount of the share from which the stock arose. Minimum amount transferable.

50. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and in assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage. Rights of stockholders.

51. All such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" herein shall include "stock" and "stockholder". Interpretation.

## INCREASE OF CAPITAL

52. The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. Power to increase. As amended by Special Resolution passed 1st March, 1967.

Article 53 deleted by Special Resolution passed 10th January, 1983.

Rights of new shares. As amended by Special Resolution passed 10th January, 1983.

54. The new shares shall be subject to all the provisions of these presents with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise and, unless otherwise provided in accordance with these presents, shall be issued as "A" Ordinary Shares.

## ALTERATIONS OF CAPITAL

55. The Company may from time to time by ordinary resolution:—

Power to consolidate shares.

(*a*) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

Power to sub-divide shares.

(*b*) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of section 61 (1) (*d*) of the Act), and so that the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over, or may have such qualified or deferred rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new shares.

Power to cancel shares.

(*c*) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

And may also by special resolution:—

Power to reduce capital.

(*d*) Reduce its share capital and any capital redemption reserve fund or any share premium account in any manner and with and subject to any incident authorised and consent required by law.

## GENERAL MEETINGS

Annual general meetings

56. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

Extraordinary general meetings.

57. All general meetings other than annual general meetings shall be called extraordinary general meetings.

Convention of extraordinary general meetings.

58. The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general 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. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

## NOTICE OF GENERAL MEETINGS

Notice of general meetings.

59. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner hereinafter mentioned to such persons as are, in accordance with the provisions of these presents, entitled to receive such notices from the Company, and also to the Auditors of the Company for the time being.

Short notice.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:—

(*a*) In the case of a meeting called as the annual general meeting by all the Members entitled to attend and vote thereat; and

(*b*) In the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

In every notice calling a meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member.

Omission and non-receipt of notice.

60. The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

Special business.

61. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of the declaration and sanctioning of dividends, the consideration of the accounts and balance sheet and the reports of the Directors and Auditors, the election of Directors and Auditors and other officers in place of those retiring, the fixing of the remuneration of the Auditors and the voting of remuneration to the Directors.

Ordinary business.

Quorum.

62. No business shall be transacted at any general meeting unless a quorum be present when the meeting proceeds to business. Save as otherwise provided by these presents, two Members present in person and entitled to vote shall be a quorum for all purposes. A Corporation being a Member shall be deemed for the purpose of this Article to be personally present if represented in accordance with the provisions of section 139 of the Act.

Adjournment if no quorum.

63. If within half an hour from the time appointed for the meeting a quorum be 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, or to such other day and at such other time or place as the Chairman may determine, and the provisions of Article 65 shall apply. If at such adjourned meeting a quorum as above defined be not present within fifteen minutes from the time appointed for holding the meeting the meeting shall be dissolved.

64. The Chairman (if any) of the Board or, in his absence, the deputy-Chairman (if any) shall preside as Chairman at every general meeting of the Company. If there be no such Chairman or deputy-Chairman, or if at any meeting neither the Chairman nor the deputy-Chairman be present within fifteen minutes after the time appointed for holding the meeting, or if neither of them be willing to act as Chairman, the Directors present shall choose one of their number to act, or if one Director only be present he shall preside as Chairman if willing to act. If no Director be present, or if all the Directors present decline to take the chair, the Members present shall choose by show of hands one of their number to be Chairman.

Chairman

65. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Adjournments

66. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll be demanded by the Chairman or by at least three Members or one Member being a holder of an "A" Ordinary Share present in person or by proxy and entitled to vote or by any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting or holding shares conferring a right to vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right. Unless a poll be so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried

Voting on resolutions

Demand for poll. As amended by Special Resolution passed 20th January, 1983

unanimously or by a particular majority or not carried by a particular majority or lost, and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such a resolution.

Votes counted in error.

67. If any votes shall be counted which ought not to have been counted or might have been rejected the error shall not vitiate the resolution unless it be pointed out at the same meeting and not in that case unless it shall, in the opinion of the Chairman of the meeting, be of sufficient magnitude to vitiate the resolution.

Result of poll.

68. If a poll be duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Casting vote.

69. In case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the Chairman of such meeting shall be entitled to a second or casting vote.

Time for taking poll.

70. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place and in such manner as the Chairman directs not being more than two weeks from the date of the meeting.

Continuance of other business after demand for poll.

71. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn at any time before the next business is proceeded with.

## VOTES OF MEMBERS

Voting rights of Members. As inserted by Special Resolution passed 10th January, 1983.

72. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every Member who is present in person shall have one vote and on a poll every Member who is present in person or by proxy shall have one vote for every Ordinary Share or "A" Ordinary Share of which he is the holder.

Joint holders.

73. In the case of joint holders of a share 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 joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register.

Corporations.

74. In accordance with section 139 of the Act a corporation being a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.

Incapacity.

75. A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction for the protection of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, *curator bonis* or other person in the nature of a committee or *curator bonis* appointed by such court, and such committee, *curator bonis* or other person may vote on a poll by proxy.

No right to vote where call unpaid.

76. No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Objections.

77. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

Voting on poll.

78. On a poll votes may be given either personally or by proxy.

Signature of proxies.

79. 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 the appointor be a corporation, either under its common seal or under the hand of an officer or attorney so authorised.

Who may be proxies.

80. A proxy need not be a Member of the Company. Any Member may appoint more than one proxy to attend on the same occasion.

Deposit of proxy.

81. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.

Form of proxy.

82. An instrument appointing a proxy may be in the usual common form or in such other form as the Board may accept and need not be witnessed. Such instrument shall unless the contrary is stated thereon be valid as well for any adjournment of the meeting as for the meeting to which it relates and shall be deemed to include the right to demand or join in demanding a poll.

Effect of death and revocation of proxy.

83. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, or the transfer of the share in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

## DIRECTORS

Number of Directors. As inserted by Special Resolution passed 10th January, 1983.

84. The Directors shall be not less than two and not more than nine in number.

Remuneration.

85. The Directors shall be entitled to such remuneration as shall from time to time be determined by the Company in general meeting, and such remuneration shall be divided among the Directors as the Board may by resolution determine or, failing such determination, equally, except that in such event any Director holding office for less than a year shall only rank in such division in proportion to the period

during which he has held office during such year. The Directors shall also be entitled to be paid their reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or otherwise incurred while engaged on the business of the Company. Expenses

86. Any Director who, by request, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine which shall be charged as part of the Company's ordinary working expenses. Special services.

87. (A) A Director of the Company may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested, and no such Director shall be accountable for any remuneration or other benefits received by him as a director or officer of or from his interest in such other company. Subject to the provisions of Article 13 the Board may also exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the members of the Board or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company. And any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to become a director or officer of such other company and as such, or in any other manner, is or may be interested in the exercise of such voting rights in manner aforesaid. Power of Director to hold offices of profit and to contract with Company.

(B) A Director holding office as Director of any other company not being a subsidiary company of the Company shall declare his holding of such office to the Board. In the case of a salaried or Managing Director, he shall not hold office, whether as a Director, Manager, or otherwise, in any other company not being a Subsidiary Company of the Company, unless he shall first have declared the nature and extent of such services and obtained the consent of the Board. Declaration of shareholdings.

88. (A) 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 upon such terms as the Board may determine and may receive such remuneration therefor as the Board may think fit in

addition to any other remuneration hereunder. Subject to the next paragraph of this Article, no Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

Declaration of interest.

(B) A Director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if his interest then exists, or in any other case at the first meeting of the Board after he becomes so interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in all transactions with such company or firm shall be a sufficient declaration of interest under this Article, and after such general notice it shall not be necessary to give any special notice relating to any subsequent transaction with such company or firm, provided that either the notice is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

Restriction on voting.

(C) A Director shall not vote (nor be counted in the quorum) in respect of any contract or arrangement in which he is interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any arrangement for giving to any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company, nor to any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the Director has himself guaranteed or secured, nor to any contract by a Director to subscribe for or underwrite shares or debentures of the Company, nor to any contract or arrangement with a corporation in which he is interested only by reason of being a director, officer, creditor or member of such corporation, and it may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, by the Company in general meeting.

(D) A Director, notwithstanding his interest, may be counted in the quorum present for the purpose of considering the appointment of himself or of any other Director to hold any such office or place of profit under the Company as aforesaid or of arranging the terms of any such appointment or matters relating to schemes or funds for the provision of pensions or other retirement benefits for employees of the Company in which he may be interested and he may vote on any such appointment or arrangement (other than his own appointment or the arrangement of the terms thereof) and on such matters. Quorum

(E) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor), and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

89. The qualification of a Director shall be the holding alone, and not jointly with any other person, of shares of the Company of any class or classes of the nominal amount of £100. A Director may act before obtaining his qualification but, if not already qualified, shall obtain such qualification within two months after his appointment, and in default his office shall be vacated. If at any time after the expiration of such two months a Director shall cease to hold his qualification, his office shall be vacated. A person vacating office under this Article shall be incapable of being reappointed a Director until he shall have obtained his qualification. Qualification.

90. The office of a Director shall be vacated in any of the events following, namely:— Vacation of office of Director.

(*a*) If (not being an Executive Director holding office for a fixed term) he resigns his office by writing under his hand left at the Office;

(*b*) If he be found or become of unsound mind or become bankrupt or compound with his creditors;

(*c*) If, without leave, he be absent, otherwise than on the business of the Company, from meetings of the Board for six consecutive months, and the Board resolve that his office be vacated;

(*d*) If he be prohibited from being a Director by reason of any order made under section 188 of the Act;

(*e*) If he be removed from office pursuant to section 184 of the Act;

(f) If he vacates office pursuant to the provisions of Article 89 or of Article 91.

Vacation at 65 years.

91. A Director shall vacate his office at the conclusion of the annual general meeting commencing next after he shall have attained the age of 65 years, unless a Resolution shall be passed at such meeting extending his appointment for a maximum period of 5 years, and on the expiration of such extended period he shall not be capable of re-election. Provided that acts done by a person as Director shall be valid notwithstanding that it is afterwards discovered that his appointment had terminated by virtue of this Article. Where a Director vacates office under this Article the provisions of Article 110 will not apply and if at the Meeting at which he retires the vacancy is not filled under Article 112, Article 115 shall not apply but the vacancy may be filled as a casual vacancy under Article 117.

## POWERS AND DUTIES OF DIRECTORS

Powers of Board.

92. The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are not by the Act or by these presents required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these presents and of the Act and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

Subsidiary companies.

93. The Board may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on as or through one or more subsidiary companies and the Board may on behalf of the Company make such arrangements as the Board think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing assisting or subsidizing any such subsidiary company or guaranteeing its contracts obligations or liabilities and the Board may appoint remove and re-appoint any persons (whether a Director of the Company or not) to act as Directors Managing Directors or Managers of any such company or any other company in which the Company may be interested and may determine the

remuneration (whether by way of salary commission on profits or otherwise) of any persons so appointed and any Directors of the Company may retain any remuneration so payable to them.

Local boards.

94. The Board may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Appointment of attorney.

95. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Official Seal.

96. The Company may exercise the powers conferred by section 35 of the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Board.

Dominion Register.

97. The Company may exercise the powers conferred by sections 119 to 122 of the Act with regard to the keeping of a Dominion Register, and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any such Register.

Borrowing powers. As inserted by Special Resolution passed 1st March, 1967.

98. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Borrowing limit increased by Special Resolution passed 11th January, 1977.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiary companies, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to one and one half times the aggregate of (i) the amount paid up on the issued share capital of the Company and (ii) the amounts standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and profit and loss account) all as shown by a consolidation of the then latest audited balance sheets of the Company and its subsidiaries but (*a*) adjusted in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet; (*b*) excluding any amounts set aside for taxation and any amounts attributable to outside shareholders in subsidiaries; (*c*) deducting any amounts attributable to goodwill and other intangible assets and the amount of any debit balance on the consolidated profit and loss account; and (*d*) deducting any amount distributed or proposed to be distributed but not provided for in such consolidation out of reserves or profits included therein.

(C) For the purposes of the said limit the following provisions shall apply:—

(i) the following shall (so far as not already otherwise taken into account) be taken into account as moneys borrowed:—

(*a*) the nominal or principal amount of any share capital, debentures or money borrowed (together in each case with any fixed or minimum premium

payable on final repayment) the beneficial interest whereof is not for the time being owned by and the repayment whereof is guaranteed by the Company or a subsidiary;

(*b*) the principal amount raised by the Company or by any subsidiary by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;

(*c*) the principal amount (together with any premium payable on final repayment) of any debentures of the Company or a subsidiary;

(*d*) the nominal amount of the issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by the Company or another subsidiary;

(ii) moneys borrowed by the Company or any subsidiary for the purpose of repaying the whole or any part of borrowed moneys (other than inter-company borrowings) for the time being outstanding (including any premium payable on repayment) and so applied within four months of being first borrowed shall not pending their application for such purpose be deemed to be borrowed moneys;

(iii) in the case of a subsidiary of which only part of the equity share capital is attributable to the Company, that proportion of any moneys borrowed by such subsidiary (other than from the Company or a wholly-owned subsidiary) which is equal to the proportion of the equity share capital thereof which falls to be regarded as attributable to minority shareholders shall be treated for all purposes as if the same were moneys borrowed from and owing to the Company or another subsidiary.

(D) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded.

Signature of cheques and bills.

99. All cheques, promissory notes, drafts, bills of exchange and other negotiable and transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

Board minutes.

100. The Board shall cause minutes to be made in books provided for the purpose:—

(*a*) Of all appointments of officers made by the Board.

(*b*) Of the names of the Directors present at each Board or Committee meeting.

(*c*) Of all resolutions and proceedings at all meetings of the Company and of the Board and of the Committees.

Register of Directors' shareholdings.

101. The Board shall cause to be kept the register of the Directors' holdings of shares and debentures required by section 195 of the Act, and shall render the same available for inspection during the period and by the persons prescribed, and produce the same at every annual general meeting as required by that section.

## MANAGING DIRECTOR

Managing Director.

102. The Board may from time to time appoint one or more of its body to the office of Managing Director or Assistant Managing Director for such period and upon such terms as it thinks fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. Any such appointment shall (without prejudice to any claim the appointee may have for damages for breach of any contract of service between him and the Company) *ipso facto* determine if he cease from any cause to be a Director.

Remuneration of Managing Director.

103. A Managing Director or Assistant Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

104. The Board may entrust to and confer upon a Managing Director or Assistant Managing Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with or to the exclusion of its own powers, and may from time to time (subject to the terms of any agreement entered into in any particular case) revoke, withdraw, alter or vary all or any of such powers. Powers of Managing Director

## SECRETARY

105. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board. Secretary.

106. A provision of the Act or these presents requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## PENSIONS AND ALLOWANCES

107. Without in any way limiting or restricting the general powers of the Board to grant pensions, allowances or other similar payments to officers or ex-officers, employees or ex-employees of the Company, or the relatives or dependants of any such persons, it is hereby expressly declared that the Board may, upon any person who was or is for the time being a Director of the Company ceasing for any cause to hold some other office or place of profit (including that of Managing Director) previously held by him under the Company, make such grants or pay such pension or other retiring or similar allowance to such person or his relatives or dependants as the Board may think fit, and it shall be no objection to any such grant or payment that such person may remain an ordinary Director of the Company entitled to participate in the remuneration payable to the Directors. Any such grant, pension or other allowance may be made payable for such period and upon such terms and conditions as the Board in its discretion may from time to time determine, but shall only be made in respect of some office, place of profit or services other than service as an ordinary Director and any such Director qualifying under this Article for the receipt of a pension may be included in any approved Superannuation Scheme which is for the time being adminstered by the Company. Pensions.

## THE SEAL

Seal. As amended by Special Resolution passed 28th April, 1966.

108. The Board shall provide for the safe custody of the Seal, which shall not be affixed to any instrument except in the presence of at least two Directors or at least one Director and the Secretary and such Directors or Director and Secretary shall sign every instrument to which the Seal is so affixed in their presence. Provided that every certificate for shares, debentures or debenture stock shall be issued under the Seal but such certificates need not be signed or countersigned by any person.

Share certificates.

## ROTATION OF DIRECTORS

Retirement of Directors.

109. At every annual general meeting one-third of the Directors for the time being or if their number be not a multiple of three the number nearest to but not exceeding one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

Which Directors to retire.

110. The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Re-election.

111. A retiring Director shall, subject to the provisions of section 185 of the Act and of Article 91, be eligible for re-election.

Resolution not to fill vacancy.

Additional Directors.

112. The Company at the meeting at which a Director retires in manner aforesaid shall fill up the vacated office by electing a person thereto unless at such meeting it be expressly resolved not to fill up such vacated office. The Company may also in general meeting (subject to the provisions of Article 114) elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents.

Election by Separate Resolution.

113. Except as otherwise authorised by section 183 of the Act, the election or appointment of any person proposed as a Director shall be effected by a separate resolution, and a single resolution purporting to elect or appoint two or more persons to be Directors shall be ineffective and void.

114. No person, other than a Director retiring at the meeting, shall, unless recommended by the Board, be eligible for election to the office of a Director at any general meeting unless, not less than three and not more than twenty-one clear days 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.

Eligibility for election

115. If at any meeting at which an election of Directors ought to take place the place of any retiring Director be not filled up such Director, if offering himself for re-election, shall be deemed to have been re-elected unless at such meeting it be expressly resolved not to fill up such place or unless either a motion that he be not re-elected is carried or a motion that he be re-elected is put to the meeting and defeated.

Re-election by default.

Article 116 deleted by Special Resolution passed 10th January, 1983.

117. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these presents to appoint any person to be a Director, the Board shall have power at any time and from time to time to appoint any person (subject to the provisions of section 185 of the Act and of Article 91) to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Power of Board to fill casual vacancy and to appoint additional Directors.

118. The Company may by extraordinary resolution, or (subject to the provisions of section 184 of the Act) by ordinary resolution of which special notice has been given in accordance with section 142 of the Act, remove any Director before the expiration of his period of office and may (subject to Article 114 or to the said provisions as the case may be) by an ordinary resolution appoint another person in his stead. Notwithstanding the provisions of Article 72, on any such resolution to remove an "A" Director from office the votes cast by the holders of "A" Ordinary Shares shall constitute 75 per cent. of the votes cast. The person so appointed shall be subject to

Removal of Directors. As amended by Special Resolution passed 10th January, 1983.

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 a Director.

## PROCEEDINGS OF THE BOARD

Board meetings.

119. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may and the Secretary on the requisition of a Director shall at any time summon a Board Meeting. In the event of any such requisition 3 days' notice at least (inclusive of the day on which the notice was served or deemed to have been served and of the day for which the notice is given) specifying the place, date and hour of the Meeting and the general nature of the business to be transacted shall be given to each Director for the time being. It shall not be necessary to give notice of a Board Meeting to any Director for the time being absent from the United Kingdom.

Quorum.

120. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two.

Powers of continuing Directors.

121. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number be reduced below the minimum number fixed by or in accordance with these presents the continuing Directors may act for the purpose of filling up vacancies in their body or of summoning general meetings of the Company but not for any other purpose, and may act for either of the purposes aforesaid whether or not their number be reduced below the number fixed by or in accordance with these presents as the quorum.

Chairman of Board.

122. The Board may elect a Chairman and deputy-Chairman of its meetings and determine the period for which they are respectively to hold office. If no such Chairman or deputy-Chairman be elected, or if at any meeting neither the Chairman nor the deputy-Chairman be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

Powers of meetings at which a quorum is present.

123. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board.

124. The Board may delegate any of its powers to committees as it thinks fit provided that at least one third of the members of any such committee comprise "A" Directors. 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 Board.

125. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.

Resolution signed by all Directors

126. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Board or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board, or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned.

Effect of defect in appointment of Director.

127. All acts done by any Board or committee or by any person acting at a Director, 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 or had vacated office, shall be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director.

As inserted by Special Resolution passed 10th January, 1983.

127A. Any Director who is outside, or about to leave, the United Kingdom may by notice in writing to the Company appoint some other person to be his alternate or substitute Director during his absence from the United Kingdom and such alternate Director shall have in all respects the same rights and powers as the Appointor. Any person so appointed shall vacate office if and when the Appointor vacates office as a Director, or removes the Appointee from office by notice in writing to the Company.

## DIVIDENDS

Payment of dividends.

128. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends

to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

Restriction on dividends.

129. No dividend shall be payable except out of the profits of the Company or in excess of the amount recommended by the Board.

As inserted by Special Resolution passed 10th January, 1983.

129A. The record date for any dividend declared by the Company (for the avoidance of doubt being the date on which the Members entitled to any dividend declared by the Company are to be ascertained) shall be a date not less than 21 days after the date on which such dividend is declared.

Preacquisition profits.

130. Where any asset business or property is bought by the Company as from a past date the actual profit or loss as the case may be so accruing as from such date may at the discretion of the Board but subject to the provisions of the Act be credited or debited wholly or in part to revenue account or otherwise dealt with as if the same were a profit or loss arising from the business of the Company.

Apportionment of dividends.

131. All dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share be issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Interim dividends.

132. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the position of the Company; the Board may also pay the fixed dividend payable on any preference shares of the Company half-yearly or otherwise on fixed dates, whenever such position, in the opinion of the Board, justifies that course.

Deductions from dividends.

133. The Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

No interest on dividends.

134. No dividend shall bear interest against the Company.

Retention of dividends.

135. The Board may retain any dividends or bonuses payable on shares on which the Company has a lien and may apply the same in or towards satisfaction of the debts liabilities or engagements in respect of which the lien exists.

136. The Board may retain the dividends and bonuses payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.

137. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first on the Register in respect of the shares. Every such cheque or warrant shall, unless the holder otherwise directs, be made payable to the order of the registered holder, or in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk. Any one or two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by such joint holders.

Dividends may be paid by cheque.

138. Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may fix the value for distribution of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution.

Distribution in specie.

## RESERVES

139. The Board may before recommending any dividend set aside out of the profits of the Company such sum as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to divide.

Reserves.

Share premium account.

140. The Board shall transfer to share premium account as required by section 56 of the Act sums equal to the amount or value of any premiums at which shares of the Company may be issued, and, subject to the provisions of the said section, the provisions of these presents relating to reserves shall be applicable to the sums for the time being standing to the credit of share premium account.

## CAPITALISATION OF PROFITS

Capitalisation of reserves. As amended by Special Resolution passed 10th January, 1983.

141. The Company in general meeting may at any time and from time to time pass a resolution to the effect that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserves or to the credit of the profit and loss account or otherwise available for distribution and not required for the payment of the accrued fixed dividends on any preference shares of the Company and accordingly that such sum be set free for distribution among the Members holding ordinary shares and "A" Ordinary Shares in proportion to the amounts paid up on the issued ordinary shares and "A" Ordinary Shares held by them respectively, on the footing that the same be not paid in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members or partly in one way and partly in the other, and the Board shall give effect to such resolution. Provided that a share premium account and a capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid.

As inserted by Special Resolution passed 10th January, 1983.

141A. The Company in general meeting may on the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying up in full unissued shares to be allotted as fully paid bonus shares to those Members of the Company who would have been entitled to that sum if it were distributed by way of dividend (and in the same proportions), and the Directors shall give effect to such resolution.

Fractions.

142. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it

thinks expedient and in particular may issue fractional certificates or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract requisite or convenient for giving effect thereto and such appointment shall be effective and binding upon the Members.

## ACCOUNTS

Accounts

143. The Board shall cause true accounts complying with section 147 of the Act to be kept:—

(*a*) Of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place; and

(*b*) Of all sales and purchases of goods by the Company; and

(*c*) Of the assets and liabilities of the Company.

Inspection of accounts.

144. The books of account shall be kept at the Office or, subject to section 147 (3) of the Act, at such other place or places as the Board may think fit and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board.

Balance sheet and profit and loss account

145. The Board shall from time to time, in accordance with sections 148, 150 and 157 of the Act, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

Distribution reports and accounts to be annexed to Special Resolution to be passed by March, 19

146. A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall not be less than twenty-one days before the date of the meeting be sent to every Member and to every holder of debentures of the Company and whenever quotation of any Stock Exchange in the United Kingdom for all or any of the shares or

debentures of the Company shall for the time being be in force there shall be forwarded to the appropriate offices of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice. Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

## AUDIT

Auditors.

147. Auditors shall be appointed and their duties regulated in accordance with sections 159 to 162 of the Act.

## NOTICES

Service of notices.

148. Any notice or other document may be served by the Company on 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. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

Members outside United Kingdom. As inserted by Special Resolution passed 10th January, 1983.

149. Any Member described in the Register by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid and save in the case of a holder of "A" Ordinary Shares no Member other than a Member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.

Proof of service. As inserted by Special Resolution passed 10th January, 1983.

150. Any notice or other document, if served by post, shall be deemed to have been served forty-eight hours after the same shall have been put into the post office, and in proving such service it shall be sufficient to prove that the notice or document was properly addressed, stamped and put into the post office and that in the case of a Member being a holder of an "A" Ordinary Share described in the Register by an address not within the United Kingdom that the notice or document was despatched by registered airmail.

Death and bankruptcy

151. Any notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service of the notice or document, have been removed from the Register as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

## WINDING-UP

Division in specie on winding-up.

152. If the Company shall be wound up the Liquidator may, with the sanction of an extraordinary resolution of the Members, divide among the Members in specie or kind the whole or any part of the assets of the Company and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the Liquidator, with the like sanction, shall think fit.

## INDEMNITY

Indemnity of Directors.

153. Every Director, Managing Director, Manager, Officer and Auditor of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, Managing Director, Manager, Officer or Auditor 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 488 of the Act in which relief is granted to him by the Court.

No.309779

268

# CARPETS INTERNATIONAL P.L.C.

## SPECIAL RESOLUTION

Passed 7 October 1985

AT an EXTRAORDINARY GENERAL MEETING of the Company, duly convened, and held on the date stated above, the following Resolution was duly passed as a Special Resolution:-

## RESOLUTION

That the name of the Company be changed to "DEBRON INVESTMENTS PLC".

COMPANIES REGISTRATION OFFICE 28 OCT 1985 NC

C. Bridges

C Bridges
Secretary

COMPANIES REGISTRATION OFFICE M1 22 OCT 1985 74

9 OCT 1985

Lloyds £30 000766

# FILE COPY

## CERTIFICATE OF INCORPORATION

## ON CHANGE OF NAME

No. 309779

I hereby certify that

CARPETS INTERNATIONAL P. L. C.

having by special resolution changed its name, is now incorporated under the name of

DEBRON INVESTMENTS PLC

Given under my hand at the Companies Registration Office, Cardiff the 1ST NOVEMBER 1985

M. Israel

MRS. C. ISRAEL

an authorised officer

No. 309779

271

9/12

THE COMPANIES ACTS 1929 to 1981

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COMPANY LIMITED BY SHARES

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# MEMORANDUM

# AND

# ARTICLES OF ASSOCIATION

# OF

# DEBRON INVESTMENTS PLC

New Articles of Association as adopted by Special Resolution passed 10th December, 1953 to include all amendments made thereto by Special Resolutions subsequently passed up to and including 7th October, 1985.

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Incorporated the 27th day of January, 1936.

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Slaughter and May
35 Basinghall Street
London EC2V 5DB

No. 309779

# CERTIFICATE OF INCORPORATION

[copy]

## ON RE-REGISTRATION AS A PUBLIC COMPANY

I HEREBY CERTIFY that CARPETS INTERNATIONAL P.L.C. has this day been re-registered under the Companies Acts 1948 to 1980 as a public company, and that the company is limited.

DATED at Cardiff the 20th October, 1981.

B. HAYWARD,
Assistant Registrar of Companies

CERTIFICATE OF INCORPORATION

ON CHANGE OF NAME

No. 309779

I hereby certify that

CARPETS INTERNATIONAL P.L.C.

having by special resolution changed its name, is now incorporated under the name of

DEBRON INVESTMENTS PLC

Given under my hand at the Companies Registration Office, Cardiff the 1st November, 1985.

MRS. C. ISRAEL
an authorised officer

The Companies Acts 1929 to 1981

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COMPANY LIMITED BY SHARES

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# MEMORANDUM OF ASSOCIATION

OF

# DEBRON INVESTMENTS PLC

(as altered by a Resolution of the Directors passed on 8th October, 1981)

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1. The name of the Company is "DEBRON INVESTMENTS PLC".*

2. The Company is to be a public company.

3. The registered office of the Company will be situate in England.

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* The name of the Company was changed (i) on 14th December, 1953, to "JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED" pursuant to Special Resolution dated 10th December, 1953, (ii) on 10th April, 1969, to "CARPETS INTERNATIONAL LIMITED" pursuant to Special Resolution dated 9th April, 1969, and (iii) on 1st November, 1985 to "DEBRON INVESTMENTS PLC" pursuant to a Special Resolution dated 7th October, 1985.

4. The objects for which the Company is formed are:-

(1) To purchase or otherwise acquire the goodwill of the business of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto heretofore carried on by C.X.T. Limited (formerly Carpet Trades Limited and now in voluntary liquidation) and all or any part or parts of the assets of the said Company and to take over and undertake all or any of the liabilities of the said Company upon such terms as shall be thought fit and for that purpose to enter into and carry into effect with or without modification an Agreement expressed to be made between C.X.T. Limited (now in voluntary liquidation) of the first part John Benjamin Hill the Liquidator of C.X.T. Limited of the second part and this Company of the third part and to carry on and develop the said business.

(2) To carry on all or any of the businesses of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto spinners doublers or twisters of cotton flax hemp jute wool and wool derivatives and other fibrous substances bleachers dyers makers and dealers in bleaching and dyeing materials; to buy sell sort comb card prepare weave felt or otherwise manufacture dye finish and otherwise deal with and deal in the raw manufactured or semi-manufactured state wool and wool derivatives cotton flax hemp jute silk and

other fibrous substances and other goods and fabrics of all kinds and to subscribe for acquire and hold share stocks or securities of companies whose objects include the carrying on of all or any such businesses as aforesaid.

(3) To carry on the business of mechanical engineers iron founders and manufacturers of machinery of all kinds tool makers brass founders metal workers boiler makers millwrights machinists iron and steel converters smiths woodworkers builders painters metallurgists electrical and water engineers gas makers and merchants and to buy sell manufacture repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the manufacturing or engineering business of the Company or any contract undertaken by the Company and either for the purpose only of such contract or of any independent business.

(4) To construct execute carry out improve work develop administer manage or control public or private works or conveniences of all kinds including railways tramways roads canals docks reservoirs embankments markets sewerage or drainage water gas electric light hydraulic irrigation and other works and to lay out land for building and to construct and maintain roads or streets and to erect work or operate or advance money for the purpose of erecting

working or operating dwellinghouses warehouses hotels shops stores factories mills and every other description of buildings.

(5) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company.

(6) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business similar analogous or subsidiary to any of the objects of the Company.

(7) To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any branch or business so carried on or for financing any such subsidiary company or a company which is directly or indirectly controlled by this Company or in which this Company holds a substantial interest or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business and to act as directors or managers of or to appoint directors or managers of any

such subsidiary company or of any other company in which this Company is interested.

(8) To purchase lease or otherwise acquire and build upon any land and to alter enlarge rebuild or otherwise improve any buildings or other property from time to time belonging to the Company or in which the Company may be interested.

(9) To buy or otherwise acquire underwrite issue hold place sell lend money on the security of or otherwise deal with stocks shares bonds debentures and securities of all kinds and to give any guaranty or security in relation thereto or otherwise in connection with any stocks shares bonds debentures or securities.

(10) To purchase or by any other means acquire and protect prolong and renew in the United Kingdom or in any part of the world any patents patent rights brevets d'invention licences protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend money in experimenting upon and testing and in improving or seeking to improve any patents inventions or rights which the Company may acquire or propose to acquire.

(11) To pay for any property acquired by the Company in shares stock profit-sharing certificates bonds debentures debenture stock or obligations of the Company whether fully or partly paid.

(12) To borrow raise or secure the repayment of money by debentures debenture stock bonds or other obligations and securities of the Company which may be secured upon all or any part of the property of the Company (both present and future) including its uncalled capital or by receiving moneys on loan or deposit at interest or otherwise or in such manner and on such terms as may seem expedient.

(13) To guarantee or become liable for the payment of money or for the performance of any obligations also to transact all kinds of agency business.

(14) To grant pensions allowances gratuities and bonuses to persons who are or have at any time been employed by or trading with the Company or any predecessor of the Company in business or to the wives widows families relatives or dependants of any such persons and to support and subscribe to any schools and any educational scientific literary religious or charitable institution or trade societies whether such societies be solely connected with the trade carried on by the Company or not and any club or other establishment calculated to advance the interests of the Company or of any such persons as aforesaid.

(15) To make accept endorse discount issue and execute promissory notes bills of exchange and other negotiable instruments.

(16) To invest lend or deal with the moneys of the Company not immediately required upon such securities or investments (not being shares of the Company) or in such manner as may from time to time be determined.

(17) To enter into partnership or any joint purse arrangement or any arrangement for sharing profits union of interests or co-operation with any company firm or person carrying on or proposing to carry on any business within the objects of this Company and to acquire and hold shares stock or securities of any such company and to lend money to guarantee the contract of or otherwise assist any such company firm or person.

(18) To establish or promote subsidise and assist or concur in establishing or promoting subsidising and assisting any other companies syndicates and partnerships British or foreign whose objects shall include the acquisition and taking over of all or any of the assets rights and liabilities of or shall be considered in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire hold and deal in and with the shares stock or securities of and guarantee the payment of any securities issued by or any other obligation of any such company or the payment of dividends on the shares or stocks of any such company.

(19) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) or any corporations

companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government authority corporation company or person any charters contracts decrees rights privileges and concessions which the Company may think desirable and to carry out exercise and comply with any such charters contracts decrees rights privileges and concessions.

(20) To promote any bills in Parliament for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in its constitution or furthering the interests of its Members and to support or oppose any bills in Parliament promoted by others.

(21) To amalgamate with any other company whose objects are or include objects similar to any of those of this Company whether by sale or purchase (for shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any such other company as aforesaid or by partnership or any arrangement of the nature of partnership or in any other manner.

(22) To sell exchange let or rent royalty tribute share of profits or otherwise grant licences easements and other rights of and over and in any other manner deal with turn to account or dispose of the undertaking and all or any of the property assets rights and effects for the

time being of the Company for such consideration as may be thought fit and in particular wholly or partly for shares stocks debentures or securities or obligations of any other company or of any authority (supreme municipal local or otherwise).

(23) To distribute among the Members or any class of members in specie any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(24) To pay all or any part of the expenses of and incident to the formation and establishment of this Company and to remunerate any parties for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures debenture stock or other securities of the Company or in about the conduct of the Company's business.

(25) To do all or any of the above things in any part of the world and either as principals or agents and either through agents trustees or otherwise and either alone or in conjunction with others.

(26) to do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

Provided that nothing herein contained shall empower the Company to carry on the business of assurance or to grant annuities within the meaning of the Assurance Companies Act, 1909, as extended by the Industrial Assurance Act, 1923, or the Road Traffic Acts, 1930 to 1934, or to re-insure any risks under any class of assurance business to which those Acts apply.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere and that the objects specified in the different paragraphs of this clause shall except where otherwise expressed in such paragraphs be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

5. The liability of the Members is limited.

6. The share capital of the Company is *£500,000 divided into 1,000,000 shares of 50p each.

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Footnotes:

*(i) From time to time the share capital has been increased and by Special Resolution passed 1st March, 1967 was reduced and as appears from the Minutes

approved by the Court by Order dated 20th March, 1967 confirming such reduction of capital, an Office Copy of which was delivered to the Registrar of Companies for registration on 31st March, 1967, the share capital of the Company on that date was £7,000,000 divided into 14,000,000 Ordinary Shares of 50p each.

(ii) By Special Resolution dated 9th April, 1969 the share capital of the Company was increased to £10,250,000 divided into 20,500,000 Ordinary Shares of 50p each.

(iii) By Ordinary Resolution dated 29th May, 1974 the share capital of the Company was increased to £11,250,000 divided into 22,500,000 Ordinary Shares of 50p each.

(iv) By Ordinary Resolution dated 6th February, 1976 the share capital of the Company was increased to £14,500,000 divided into 29,000,000 Ordinary Shares of 50p each.

(v) By Ordinary Resolution dated 10th January, 1983 the share capital of the Company was sub-divided into 23,679,407 Ordinary Shares of 50p each and 26,602,965 "A" Ordinary Shares of 10p each (by the sub-division of each of the 5,320,593 unissued Ordinary Shares of 50p each in the share capital of the Company into 5 "A" Ordinary Shares of 10p each).

The Companies Acts 1929 to 1981

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COMPANY LIMITED BY SHARES

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# ARTICLES OF ASSOCIATION

OF

# DEBRON INVESTMENTS PLC

(As adopted by Special Resolution passed 10th December, 1953, to include all amendments made thereto by Special Resolutions passed up to and including 7th October, 1985.

## TABLE A

1. Neither the regulations in Table A in the First Schedule to the Companies Act, 1929, nor the regulations in Table A in the First Schedule to the Companies Act, 1948 shall apply to the Company.

## INTERPRETATION

2. In these presents if not inconsistent with the subject or context:-

The words standing in the first column of the following Table shall bear the meanings set opposite to them respectively in the second column thereof.

| WORDS | MEANINGS |
|---|---|
| The Acts | The Companies Act, 1948 |
| These presents | These Articles of Association as now framed or as from time to time altered by special resolution. |
| The Office | The Registered Office of the Company. |
| The Seal | The Common Seal of the Company. |
| The United Kingdom | Great Britain and Northern Ireland |
| The Board | The Board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present. |
| The Register | The Register of Members of the Company |
| In writing | Written or produced by any substitute for writing, or partly written and partly so produced. |
| Paid up | Paid up or credited as paid up. |

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;

Words importing persons shall include corporations;

The expressions "debenture" and "debenture holder" shall include "debenture stock" and "debenture stockholder";

The expression "the Secretary" shall include a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary;

The expression "dividend" shall include "bonus";

Reference to any provision of the Act shall be construed as a reference to such provision as modified by any Statute for the time being in force.

3. Subject to the last preceding Article, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

BUSINESS

4. The Company was formed on the basis of the Agreement referred to in paragraph 3(1) of the Company's Memorandum of Association and no objection to the validity of that Agreement shall be raised on the ground that the Vendors stood in a fiduciary relation to the Company or that any of the Directors of the Company accepted office at their request and that the Board was not therefore an independent Board and the Vendors shall be entitled to retain any consideration or benefit under the said Agreement and shall not be accountable for the same or any part thereof and no claim in respect thereof shall be made by the Company or any of its Members or the Liquidator thereof against the Vendors on the ground that they stood in any such fiduciary relation as aforesaid or otherwise.

5. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall think fit, and further may be suffered by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with the same.

6. The Office shall be at such place in England as the Board shall from time to time appoint.

7. No part of the funds of the Company shall be employed in the subscription or purchase of or in loans upon the security of the Company's shares or those of its holding company (if any) and the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with any purchase or subscription by any person of shares in the Company or in its holding company (if any) nor make, or guarantee or provide any security in connection with, a loan to any Director of the Company or of its holding company (if any); but nothing in this Article shall prohibit transactions authorised by sections 54 or 190 of the Act.

SHARE CAPITAL

8. At the date of adoption of this new Article 8 of the share capital of the Company is £14,500,000 divided into 23,679,407 Ordinary Shares of 50p each and 26,602,965 "A" Ordinary Shares of 10p each which two classes of shares shall enjoy the special rights and privileges and be subject to the special restrictions and limitations as follows:-

(1) As regards income

In respect of any financial year or other period the profits of the Company which it shall from time to time be determined to distribute shall be applied in paying dividends on the Ordinary Shares and "A" Ordinary Shares as if each such share was of like nominal value and Article 131 shall be deemed to be amended accordingly.

(2) As regards capital

On a return of capital in a winding up or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority:-

(i) first in repaying to the holders of "A" Ordinary Shares the capital paid up thereon together with a premium of 5p per share and to the holders of Ordinary Shares 15p per share on account of the capital paid up thereon;

(ii) second in repaying to the holders of Ordinary Shares the balance of the capital paid up thereon;

(iii) third in distributing to the holders of "A" Ordinary Shares a further 35p per share;

(iv) finally in distributing the balance (if any) amongst the holders of Ordinary Shares and "A" Ordinary Shares rateably according to the number held.

(3) As regards issue of "A" Ordinary Shares

So long as the whole or any part of the principal sum of "2,500,000 or interest thereon remains outstanding pursuant to an agreement made the 17th day of December, 1982 between Interface Flooring Systems Inc. (hereinafter called "Interface") of the one part and the Company of the other part (hereinafter called the "Agreement") and save in respect of the one "A" Ordinary Shares shall be issued to any person other than the person entitled to the benefit of the Agreement and in accordance with the provisions contained therein or in the Loan Agreement therein referred to.

(4) As regards Directors

(a) (i) The holders of the majority of the "A" Ordinary Shares may from time to time:-

(1) appoint any person or persons to be a Director or Directors (any such person being hereinafter called an "A" Director');

(2) remove any "A" Director so appointed (but without prejudice to the right of such holders to appoint another person in his place);

provided that the total number of the "A" Directors at any time shall not exceed two in the event that the total number of Directors for the time being holding office is seven or less or shall not exceed three in the event that the

total number of Directors so holding office is in excess of seven.

(ii) Any such appointment or removal shall be effected in writing served on the Company at its registered office for the time being and signed by the majority of the holders of the "A" Ordinary Shares (in the case of a corporation by a director or the secretary thereof or its duly appointed attorney or duly authorised representative) or by resolution passed at a separate general meeting of the holders of the "A" Ordinary Shares.

(b) An "A" Director shall not be required to hold any share qualification and Article 89 shall be deemed to be amended accordingly.

(c) Save as provided by this Article and subject to the provisions of the Act, no "A" Director shall be appointed or removed from office, and the Company in general meeting shall have no power of appointing or removing "A" Directors, but each "A" Director shall hold office until he either is removed in manner provided by this Article or dies or otherwise vacates office under the provisions contained in paragraphs (a), (b) and (d) of Article 90 and Articles 90, 91 and 109 shall be deemed to be amended accordingly.

(d) Notwithstanding any other provision contained in these Articles no person other than the Directors holding office as at the date of the adoption of this Article shall be eligible for appointment as a Director of the Company

unless he shall first have received the approval of the holders of a majority of the "A" Ordinary Shares. Any such approval shall be given in like manner as provided in paragraph (4)(a)(ii) of this Article 8. Articles 112, 114, 117 and 118 shall be deemed to be amended accordingly.

(e) At least forty-eight hours notice of any Board Meeting shall be given to any "A" Director irrespective of whether he is absent from the United Kingdom or not and telex notice of such meeting shall immediately be given to the person holding the greatest aggregate number of "A" Ordinary Shares for the time being and Article 119 shall be deemed to be amended accordingly.

(5) Modification of Rights

Notwithstanding any other provisions of these Articles (and in particular but not limited to the provisions of Articles 52 and 55) and subject only to the provisions of the Act and Article 118 hereof no resolution of the Board of Directors of the Company or of the Company in general meeting:-

(a) To remove an "A" Director;

(b) To increase, reduce, consolidate or sub-divide the share capital of the Company;

(c) To increase the number of Directors beyond nine;

(d) to alter, add to, or delete any of the provisions of this Article 8;

(e) To allot or issue any shares in the capital of the Company;

may be passed with the holders of the majority of the "A" Ordinary Shares in issue having signified their approval in writing thereto (in the case of a resolution of the Board of Directors) or voted in favour thereof (in the case of a resolution of the Company in general meeting).

Article 9 deleted by Special Resolution passed 1st March, 1967.

10. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by resolution determine.

11. Subject to the provisions of section 58 of the Act, any preference shares may, with the sanction of a special resolution, be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may be special resolution determine.

12. Subject to the provisions of section 72 of the Act whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may either with the consent in writing of the holders of three-fourths of the issued shares of the

class or with the sanction of an Extraordinary Resolution passed at a separate meeting of such holders (but not otherwise) be modified or abrogated and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate meeting all the provisions of these presents relating to general meetings or to the proceedings thereafter shall mutatis mutandis apply except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present in person or by proxy shall be a quorum) and that the holders of shares of the class shall on a poll have one vote in respect of every share of the class held by them have one vote in respect of every share of the class held by them respectively. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be modified or abrogated by the creation or issue of further shares ranking pari passu therewith.

Article 13 deleted by Special Resolution passed 1st March, 1967.

SHARES

14. (a) In accordance with section 14 of the Companies Act 1980 the Directors shall be generally and unconditionally authorised:-

(i) to exercise any power of the Company to allot relevant securities, as defined in that section; and

(ii) on behalf of the Company to make any offer or agreement which will or might require relevant securities, as so defined, to be allotted after the authority expires.

Such authority shall extent to the whole of the unissued nominal capital of the Company at the date of the adoption of this Article, being £2,660,296.50 divided into 26,602,965 "A" Ordinary Shares of 10p each; and shall expire on 9th January, 1988, being not more than five years from that date; provided that such authority may be revoked, varied or renewed by the Company in general meeting.

(b) In accordance with section 18 of the Companies Act 1980 the Directors shall have power:-

(i) to allot equity securities as defined in section 17(11) of that Act pursuant to the authority conferred by paragraph (a) above as if section 17(1) of that Act did not apply to the allotment; and

(ii) on behalf of the Company to make any offer or agreement which will or might require equity securities, as so defined, to be allotted after the power expires.

Such power shall cease to have effect when the authority conferred by paragraph (a) above is revoked or would, if not renewed, expire but if that authority is renewed, the power may by special resolution also be renewed, for a period not longer than that for which the authority is renewed.

(c) Subject to the provisions of these presents including Article 8(3) and the Companies Acts 1948 to 1981, the unissued shares of the Company whether forming part of the original or any increased capital shall be at the disposal of the Board, which may allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine, but so that no shares shall be issued at a discount.

15. The Company may exercise the powers of paying commissions conferred by section 53 of the Act, provided that the rate or amount of the commission paid or agreed to be paid and the number of shares which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by the said section, and that such commission shall not exceed 10 per cent. of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent. of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

16. Except as ordered by a Court of competent jurisdiction or as by law required, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these presents or by law otherwise provided) any other right

in respect of any share except an absolute right to the entirety thereof in the registered holder.

17. Every person whose name is entered as a Member in the Register shall be entitled, without payment, to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares of any one class, or several certificates each for one or more of his shares of such class upon payment of such sum, not exceeding one shilling, for every certificate after the first as the Board shall from time to time determine. Provided always that when a Member has sold part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.

18. If a share certificate be defaced, lost or destroyed it may be replaced on payment of such fee (if any) not exceeding one shilling and on such terms (if any) as to evidence and indemnity and payment of the out-of-pocket expenses of the Company of investigating such evidence as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

LIEN

19. The Company shall have a lien on every share not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share, and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing

registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company, and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends payable thereon. But the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

20. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the holder for the time being of the share or to the person entitled by reason of his death or bankruptcy to the share.

21. The net proceeds of sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares and he 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.

## CALL ON SHARES

22. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal amount of the shares or be payable at less than one month from the date fixed for payment of the last previous call, and each Member shall (subject to the Company giving to him at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.

23. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

25. If a sum called in respect of a share be not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 10 per cent. per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

26. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

27. The Board may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

28. The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company in general meeting shall otherwise direct) 10 per cent. per annum as may be agreed upon between the Board and the Member paying such sum in advance.

## TRANSFER OF SHARES

29. Subject to such of the restrictions of these presents as may be applicable, any Member may transfer all or any of his shares by transfer in writing in the usual common form or in any other form which the Board may approve.

30. The instrument of transfer of a share shall be signed by or on behalf of the transferor and (except in

the case of fully paid shares) by or on behalf of 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 in respect thereof. All instruments of transfer, when registered, shall be retained by the Company.

31. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of shares (other than fully paid shares) to a person of whom it shall not approve. The Board may also decline to register any transfer of shares on which the Company has a lien.

32. The Board may also decline to recognise any instrument of transfer unless:-

(a) The instrument of transfer is lodged at the Office or such other place as the Board may appoint accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(b) The instrument of transfer is in respect of only one class of share.

33. If the Board refuses to register a transfer it shall, within two months after the date on which the transfer was lodged, send to the transferee notice of the refusal.

34. The register of transfers may be closed at such times and for such period as the Board may from time to time determine provided always that it shall not be closed for more than thirty days in any year.

Articles 35 deleted by Special Resolution passed 1st March, 1967.

## TRANSMISSION OF SHARES

36. In case of the death of a Member the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole holder, shall be the only persons 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 with other persons.

37. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.

38. If the person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company a notice in writing signed by him, stating that he so elects. If he shall elect to have his nominee registered he shall testify his election by executing to his nominee a transfer of such share. All the limitations restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

39. A person becoming entitled to share in consequence of the death or bankruptcy of a Member 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 the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof.

FORFEITURE OF SHARES

40. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any expenses which may have been incurred.

41. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which and the place where the payment required by the notice 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 or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references herein to forfeiture shall include surrender.

42. If the requirements of any such notice as aforesaid be not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and

expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

43. When any share has been forfeited, notice of the forfeiture shall forthwith be given to the person who was, before forfeiture, the holder of the share or the person who was, before forfeiture, entitled to the share by reason of the death or bankruptcy of the holder (as the case may be); but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.

44. A forfeited share shall be deemed to be the property of the Company and 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 Board shall think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board may think fit.

45. A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine, not exceeding ten per cent. per annum, from the date of forfeiture until payment.

46. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on a date stated in the declaration shall be conclusive evidence

of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the same is sold or disposed of, and he shall thereupon be registered as the holder of the share 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 irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

STOCK

47. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may reconvert any stock into paid up shares of any denomination.

48. Subject to the provisions of the next following Article the holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit.

49. The Board may in relation to any class of stock, from time to time fix the minimum amount of such stock transferable and restrict or forbid the transfer of fractions of such minimum, but the minimum shall not exceed the nominal amount of the share from which the stock arose.

50. The holders of stock shall, according to the amount of the stock held by them, have the same rights,

privileges and advantages as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and in assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage.

51. All such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" herein shall include "stock" and "stockholder".

INCREASE OF CAPITAL

52. The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

Article 53 deleted by Special Resolution passed 10th January, 1983.

54. The new shares shall be subject to all the provisions of these presents with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise and, unless otherwise provided in accordance with these presents, shall be issued as "A" Ordinary Shares.

ALTERATIONS OF CAPITAL

55. The Company may from time to time by ordinary resolution:-

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

(b) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of Section 61(1)(d) of the Act), and so that the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over, or may have such qualified or deferred rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new shares.

(c) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

And may also by special resolution:-

(d) Reduce its share capital and any capital redemption reserve fund or any share premium account in any manner and with and subject to any incident authorised and consent required by law.

GENERAL MEETINGS

56. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and not more than fifteen

months shall elapse between the date of one annual general meeting of the Company and that of the next.

57. All general meetings other than annual general meetings shall be called extraordinary general meetings.

58. The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general 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. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

NOTICE OF GENERAL MEETINGS

59. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in manner

hereinafter mentioned to such persons as are, in accordance with the provisions of these presents, entitled to receive such notices from the Company, and also to the Auditors of the Company for the time being.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:-

(a) In the case of a meeting called as the annual general meeting by all the Members entitled to attend and vote thereat; and

(b) In the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

In every notice calling a meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member.

60. The Accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

61. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of the declaration and sanctioning of dividends, the consideration of the accounts and balance sheet and the reports of the Directors and Auditors, the election of Directors and Auditors and other officers in place of those retiring, the fixing of the remuneration of the Auditors and the voting of remuneration to the Directors.

62. No business shall be transacted at any general meeting unless a quorum be present when the meeting proceeds to business. Save as otherwise provided by these presents, two Members present in person and entitled to vote shall be a quorum for all purposes. A Corporation being a Member shall be deemed for the purpose of this Article to be personally present if represented in accordance with the provisions of section 139 of the Act.

63. If within half an hour from the time appointed for the meeting a quorum be 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, or to such other day and at such other time or place as the Chairman may determine, and the provisions of Article 65 shall apply. If at such adjourned meeting a quorum as above defined be not present within fifteen minutes from the time appointed for holding the meeting the meeting shall be dissolved.

64. The Chairman (if any) of the Board or, in his absence, the deputy-Chairman (if any) shall preside as

Chairman at every general meeting of the Company. If there be no such Chairman or deputy-Chairman, or if at any meeting neither the Chairman nor the deputy-Chairman be present within fifteen minutes after the time appointed for holding the meeting, or if neither of them be willing to act as Chairman, the Directors present shall choose one of their number to act, or if one Director only be present he shall preside as Chairman if willing to act. If no Director be present, or if all the Directors present decline to take the chair, the Members present shall choose by show of hands one of their number to be Chairman.

65. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

66. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll be demanded by the Chairman or by at least three Members or one Member being a holder of an "A" Ordinary Share present in person or by proxy and entitled to vote or by any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to vote at the meeting or holding shares conferring a right to vote at the meeting

on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right. Unless a poll be so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost, and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such a resolution.

67. If any votes shall be counted which ought not to have been counted or might have been rejected the error shall not vitiate the resolution unless it be pointed out at the same meeting and not in that case unless it shall, in the opinion of the Chairman of the meeting, be of sufficient magnitude to vitiate the resolution.

68. If a poll be duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

69. In case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the Chairman of such meeting shall be entitled to a second or casting vote.

70. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place and in such manner as the Chairman directs not being more than two weeks from the date of the meeting.

71. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any

business other than the question on which the poll has been demanded, and it may be withdrawn at any time before the next business is proceeded with.

VOTES OF MEMBERS

72. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every Member who is present in person shall have one vote and on a poll every Member who is present in person or by proxy shall have one vote for every Ordinary Share or "A" Ordinary Share of which he is the holder.

73. In the case of joint holders of a share 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 joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register.

74. In accordance with section 139 of the Act a corporation being a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.

75. A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction for the protection of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, curator bonis or other person in

the nature of a committee or curator bonis appointed by such court, and such committee, curator bonis or other person may vote on a poll by proxy.

76. No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

77. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

78. On a poll votes may be given either personally or by proxy.

79. 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 the appointor be a corporation, either under its common seal or under the hand of an officer or attorney so authorised.

80. A proxy need not be a Member of the Company. Any Member may appoint more than one proxy to attend on the same occasion.

81. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting) not less than forty-eight hours before the time appointed for holding

the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.

82. An instrument appointing a proxy may be in the usual common form or in such other form as the Board may accept and need not be witnessed. Such instrument shall unless the contrary is stated thereon be valid as well for any adjournment of the meeting as for the meeting to which it relates and shall be deemed to include the right to demand or join in demanding a poll.

83. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, or the transfer of the share in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

## DIRECTORS

84. The Directors shall be not less than two and not more than nine in number.

85. The Directors shall be entitled to such remuneration as shall from time to time be determined by the Company in general meeting and such remuneration shall be divided among the Directors as the Board may by resolution determine or, failing such determination, equally, except that in such event any Director holding office for less than a year shall only rank in such division in proportion to the period during which he has held office during such year. The Directors shall also be entitled to be paid their reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or otherwise incurred while engaged on the business of the Company.

86. Any Director who, by request, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine which shall be charged as part of the Company's ordinary working expenses.

87. (A) A Director of the Company may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested, and no such Director shall be accountable for any remuneration or other benefits received by him as a director or officer of or from his interest in such other company. Subject to the provisions of Article 13 the Board may also exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the members of the Board or any of them to be directors or officers of such other company, or voting or

providing for the payment of remuneration to the directors or officers of such other company. And any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to become a director or officer of such other company and as such, or in any other manner, is or may be interested in the exercise of such voting rights in manner aforesaid.

(B) A Director holding office as Director of any other company not being a subsidiary company of the Company shall declare his holding of such office to the Board. In the case of a salaried or Managing Director, he shall not hold office, whether as a Director, Manager, or otherwise, in any other company not being a Subsidiary Company of the Company, unless he shall first have declared the nature and extent of such services and obtained the consent of the Board.

88. (A) 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 upon such terms as the Board may determine and may receive such remuneration therefor as the Board may think fit in addition to any other remuneration hereunder. Subject to the next paragraph of this Article, no Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any

Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

(B) A Director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if his interest then exists, or in any other case at the first meeting of the Board after he becomes so interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in all transactions with such company or firm shall be a sufficient declaration of interest under this Article, and after such general notice it shall not be necessary to give any special notice relating to any subsequent transaction with such company or firm, provided that either the notice is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

(C) A Director shall not vote (not be counted in the quorum) in respect of any contract or arrangement in which he is interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any arrangement for giving to any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company,

nor to any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the Director has himself guaranteed or secured, not to any contract by a Director to subscribe for or underwrite shares or debentures of the Company, nor to any contract or arrangement with a corporation in which he is interested only by reason of being a director, officer, creditor or member of such corporation, and it may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, by the Company in general meeting.

(D) A Director, notwithstanding his interest, may be counted in the quorum present for the purpose of considering the appointment of himself or of any other Director to hold any such office or place of profit under the Company as aforesaid or of arranging the terms of any such appointment or matters relating to schemes or funds for the provision of pensions or other retirement benefits for employees of the Company in which he may be interested and he may vote on any such appointment or arrangement (other than his own appointment or the arrangement of the terms thereof) and on such matters.

(E) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor), and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

89. The qualification of a Director shall be the holding alone, and not jointly with any other person, of shares of the Company of any class or classes of the

nominal amount of £100. A Director may act before obtaining his qualification but, if not already qualified, shall obtain such qualification within two months after his appointment, and in default his office shall be vacated. If at any time after the expiration of such two months a Director shall cease to hold his qualification, his office shall be vacated. A person vacating office under this Article shall be incapable of being reappointed a Director until he shall have obtained his qualification.

90. The office of a Director shall be vacated in any of the events following, namely:-

(a) If (not being an Executive Director holding office for a fixed term) he resigns his office by writing under his hand left at the Office;

(b) If he be found or become of unsound mind or become bankrupt or compound with his creditors;

(c) If, without leave, he be absent, otherwise than on the business of the Company, from meetings of the Board for six consecutive months, and the Board resolve that his office be vacated;

(d) If he be prohibited from being a Director by reason of any order made under section 188 of the Act;

(e) If he be removed from office pursuant to section 184 of the Act;

(f) If he vacates office pursuant to the provision of Article 89 or of Article 91.

91. A Director shall vacate his office at the conclusion of the annual general meeting commencing next after he shall have attained the age of 65 years, unless a Resolution shall be passed at such meeting extending his appointment for a maximum period of 5 years, and on the expiration of such extended period he shall not be capable of re-election. Provided that acts done by a person as Director shall be valid notwithstanding that it is afterwards discovered that his appointment had terminated by virtue of this Article. Where a Director vacates office under this Article the provisions of Article 110 will not apply and if at the Meeting at which he retires the vacancy is not filled under Article 112, Article 115 shall not apply but the vacancy may be filled as a casual vacancy under Article 117.

## POWERS AND DUTIES OF DIRECTORS

92. The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are not by the Act or by these presents required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these presents and of the Act and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

93. The Board may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on as or through one or more subsidiary companies and

the Board may on behalf of the Company make such arrangements as the Board think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing, assisting or subsidizing any such subsidiary company or guaranteeing its contracts obligations or liabilities and the Board may appoint remove and re-appoint any persons (whether a Director of the Company or not) to act as Directors, Managing Directors or Managers of any such company or any other company in which the Company may be interested and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any persons so appointed and any Directors of the Company may retain any remuneration so payable to them.

94. The Board may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annual or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

95. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company

for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

96. The Company may exercise the powers conferred by section 35 of the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Board.

97. The Company may exercise the powers conferred by sections 119 to 122 of the Act with regard to the keeping of a Dominion Register, and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any such Register.

98. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiary

companies, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to one and one half times the aggregate of (i) the amount paid up on the issued share capital of the Company and (ii) the amounts standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and profit and loss account) all as shown by a consolidation of the then latest audited balance sheets of the Company and its subsidiaries but (a) adjusted in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet; (b) excluding any amount set aside for taxation and any amounts attributable to outside shareholders in subsidiaries; (c) deducting any amounts attributable to goodwill and other intangible assets and the amount of any debit balance on the consolidated profit and loss account; and (d) deducting any amount distributed or proposed to be distributed but not provided for in such consolidation out of reserves or profits included therein.

(C) For the purposes of the said limit the following provisions shall apply:-

(i) the following shall (so far as not already otherwise taken into account) be taken into account as moneys borrowed:-

(a) the nominal or principal amount of any share capital, debentures or money borrowed (together in each case with any fixed or minimum premium payable on final repayment) the beneficial interest whereof is not for the time being owned by and the repayment whereof is guaranteed by the Company or a subsidiary;

(b) the principal amount raised by the Company or by any subsidiary by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;

(c) the principal amount (together with any premium payable on final repayment) of any debentures of the Company or a subsidiary;

(d) the nominal amount of the issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by the Company or another subsidiary;

(ii) moneys borrowed by the Company or any subsidiary for the purpose of repaying the whole or any part of borrowed moneys (other than inter-company borrowings) for the time being outstanding (including any premium payable on repayment) and so applied within

four months of being first borrowed shall not pending their application for such purpose be deemed to be borrowed moneys;

(iii) in the case of a subsidiary of which only part of the equity share capital is attributable to the Company, that proportion of any moneys borrowed by such subsidiary (other than from the Company or a wholly-owned subsidiary) which is equal to the proportion of the equity share capital thereof which falls to be regarded as attributable to minority shareholders shall be treated for all purposes as if the same were moneys borrowed from and owing to the Company or another subsidiary.

(D) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provision be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded.

99. All cheques, promissory notes, drafts, bills of exchange and other negotiable and transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

100. The Board shall cause minutes to be made in books provided for the purpose:-

(a) Of all appointments of officers made by the Board,

(b) Of the names of the Directors present at each Board or Committee meeting.

(c) Of all resolutions and proceedings at all meetings of the Company and of the Board and of the Committees.

101. The Board shall cause to be kept the register of the Directors' holdings of shares and debentures required by section 195 of the Act, and shall render the same available for inspection during the period and by the persons prescribed, and produce the same at every annual general meeting as required by that section.

MANAGING DIRECTOR

102. The Board may from time to time appoint one or more of its body to the office of Managing Director or Assistant Managing Director for such period and upon such terms as it thinks fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. Any such appointment shall (without prejudice to any claim the appointee may have for damages for breach of any contract of service between him and the Company) ipso facto determine if he cease from any cause to be a Director.

103. A Managing Director or Assistant Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

104. The Board may entrust to and confer upon a Managing Director or Assistant Managing Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with or to the exclusion of its own powers, and may from time to time (subject to the terms of any agreement entered into in any particular case) revoke, withdraw, alter or vary all or any of such powers.

## SECRETARY

105. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

106. A provision of the Act or these presents requiring or authorising a thing to be done by or a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## PENSIONS AND ALLOWANCES

107. Without in any way limiting or restricting the general powers of the Board to grant pensions, allowances or other similar payments to officers or ex-officers, employees or ex-employees of the Company, or the relatives or dependants of any such persons, it is hereby expressly declared that the Board may, upon any person who was or is for the time being a Director of the Company ceasing for any cause to hold some other office or place of profit (including that of Managing Director) previously held by him under the Company, make such grants or pay such pension or other retiring or similar allowance to such person or his relatives or dependants as the Board may think fit, and it shall be

no objection to any such grant or payment that such person may remain an ordinary Director of the Company entitled to participate in the remuneration payable to the Directors. Any such grant, pension or other allowance may be made payable for such period and upon such terms and conditions as the Board in its discretion may from time to time determine, but shall only be made in respect of some office, place of profit or services other than service as an ordinary Director and any such Director qualifying under this Article for the receipt of a pension may be included in any approved Superannuation Scheme which is for the time being administered by the Company.

## THE SEAL

108. The Board shall provide for the safe custody of the Seal, which shall not be affixed to any instrument except in the presence of at least two Directors or at least one Director and the Secretary and such Directors or Director and Secretary shall sign every instrument to which the Seal is so affixed in their presence. Provided that every certificate for shares, debentures or debenture stock shall be issued under the Seal but such certificates need not be signed or countersigned by any person.

## ROTATION OF DIRECTORS

109. At every annual general meeting one-third of the Directors for the time being or if their number be not a multiple of three the number nearest to but not exceeding one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

110. The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

111. A retiring Director shall, subject to the provisions of section 185 of the Act and of Article 91, be eligible for re-election.

112. The Company at the meeting at which a Director retires in manner aforesaid shall fill up the vacated office by electing a person thereto unless at such meeting it be expressly resolved not to fill up such vacated office. The Company may also in general meeting (subject to the provisions of Article 114) elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents.

113. Except as otherwise authorised by section 183 of the Act, the election or appointment of any person proposed as a Director shall be effected by a separate resolution, and a single resolution purporting to elect or appoint two or more persons to be Directors shall be ineffective and void.

114. No person, other than a Director retiring at the meeting, shall, unless recommended by the Board, be eligible for election to the office of a Director at any general meeting unless, not less than three and not more than twenty-one clear days 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.

115. If at any meeting at which an election of Directors ought to take place the place of any retiring Director be not filled up such Director, if offering himself for re-election, shall be deemed to have been re-elected unless at such meeting it be expressly resolved not to fill up such place or unless either a motion that he be not re-elected is carried or a motion that he be re-elected is put to the meeting and defeated.

Article 116 deleted by Special Resolution passed 10th January, 1983.

117. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these presents to appoint any person to be a Director, the Board shall have power at any time and from time to time to appoint any person (subject to the provisions of section 185 of the Act and of Article 91) to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

118. The Company may by Extraordinary Resolution, or (subject to the provisions of section 184 of the Act) by ordinary resolution of which special notice has been

given in accordance with section 142 of the Act, remove any Director before the expiration of his period of office and may (subject to Article 114 or to the said provisions as the case may be) by an ordinary resolution appoint another person in his stead. Notwithstanding the provisions of Article 72, on any such resolution to remove an "A" Director from office the votes cast by the holders of "A" Ordinary Shares shall constitute 75 per cent. of the votes cast. 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 a Director.

## PROCEEDINGS OF THE BOARD

119. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may and the Secretary on the requisition of a Director shall at any time summon a Board Meeting. In the event of any such requisition 3 days' notice at least (inclusive of the day on which the notice was served or deemed to have been served and of the day for which the notice is given) specifying the place, date and hour of the Meeting and the general nature of the business to be transacted shall be given to each Director for the time being. It shall not be necessary to give notice of a Board Meeting to any Director for the time being absent from the United Kingdom.

120. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two.

121. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number be reduced below the minimum number fixed by or in accordance with these presents the continuing Directors may act for the purpose of filling up vacancies in their body or of summoning general meetings of the Company but not for any other purpose, and may act for either of the purposes aforesaid whether or not their number be reduced below the number fixed by or in accordance with these present as the quorum.

122. The Board may elect a Chairman and deputy-Chairman of its meetings and determine the period for which they are respectively to hold office. If no such Chairman or deputy-Chairman be elected, or if at any meeting neither the Chairman nor the deputy-Chairman be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

123. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board.

124. The Board may delegate any of its powers to committees as it thinks fit provided that at least one-third of the members of any such committee comprise "A" Directors. 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 Board.

125. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.

126. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Board or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board, or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned.

127. All acts done by any Board or committee or by any person acting as a Director, 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 or had vacated office, shall be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director.

127A. Any Director who is outside, or about to leave, the United Kingdom may by notice in writing to the Company appoint some other person to be his alternate or substitute Director during his absence from the United Kingdom and such alternate Director shall have in all respect the same rights and powers as the Appointor. Any person so appointed shall vacate office if and when the Appointor vacates office as a Director, or removes the Appointee from office by notice in writing to the Company.

## DIVIDENDS

128. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with

their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

129. No dividend shall be payable except out of the profits of the Company or in excess of the amount recommended by the Board.

129A. The record date for any dividend declared by the Company (for the avoidance of doubt being the date on which the Members entitled to any dividend declared by the Company are to be ascertained) shall be a date not less than 21 days after the date on which such dividend is declared.

130. Where any asset business or property is bought by the Company as from a past date the actual profit or loss as the case may be so accruing as from such date may at the discretion of the Board but subject to the provisions of the Act be credited or debited wholly or in part to revenue account or otherwise dealt with as if the same were a profit or loss arising from the business of the Company.

131. All dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share be issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

132. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be

justified by the position of the Company; the Board may also pay the fixed dividend payable on any preference shares of the Company half-yearly or otherwise on fixed dates, whenever such position, in the opinion of the Board, justifies that course.

133. That Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

134. No dividend shall bear interest against the Company.

135. The Board may retain any dividends or bonuses payable on shares on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

136. The Board may retain the dividends and bonuses payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.

137. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first on the Register in respect of the shares. Every such cheque or warrant shall, unless the holder otherwise directs, be made payable to the order of the registered holder, or in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of

such shares, and shall be sent at his or their risk. Any one or two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by such joint holders.

138. Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may fix the value for distribution of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution.

## RESERVES

139. The Board may before recommending any dividend set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to divide.

140. The Board shall transfer to share premium account as required by section 56 of the Act sums equal to the amount or value of any premiums at which shares of the

Company may be issued, and, subject to the provisions of the said section, the provisions of these presents relating to reserves shall be applicable to the sums for the time being standing to the credit of share premium account.

## CAPITALISATION OF PROFITS

141. The Company in general meeting may at any time and from time to time pass a resolution to the effect that is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserves or to the credit of the profit and loss account or otherwise available for distribution and not required for the payment of the accrued fixed dividends on any preference shares of the Company and accordingly that such sum be set free for distribution among the Members holding ordinary shares and "A" Ordinary Shares in proportion to the amounts paid up on the issued Ordinary Shares and "A" Ordinary Shares held by them respectively, on the footing that the same be not paid in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid-up among such Members or partly in one way and partly in the other, and the Board shall give effect to such resolution. Provided that a share premium account and a capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid.

141A. The Company in general meeting may on the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the

time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying up in full unissued shares to be allotted as fully paid bonus shares to those Members of the Company who would have been entitled to that sum if it were distributed by way of dividend (and in the same proportions), and the Directors shall give effect to such resolution.

142. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract requisite or convenient for giving effect thereto and such appointment shall be effective and binding upon the Members.

## ACCOUNTS

143. The Board shall cause true accounts complying with section 147 of the Act to be kept:-

(a) Of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place; and

(b) Of all sales and purchases of goods by the Company; and

(c) Of the assets and liabilities of the Company.

144. The books of account shall be kept at the Office or, subject to section 147(3) of the Act, at such other place or places as the Board may think fit and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board.

145. The Board shall from time to time, in accordance with sections 148, 150 and 157 of the Act, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

146. A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall not be less than twenty-one days before the date of the meeting be sent to every Member and to every holder of debentures of the Company and whenever quotation of any Stock Exchange in the United Kingdom for all or any of the shares or debentures of the Company shall for the time being be in force there shall be forwarded to the appropriate offices of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice. Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware, or to more than one of the joint holders of any shares or debentures.

## AUDIT

147. Auditors shall be appointed and their duties regulated in accordance with sections 159 to 162 of the Act.

## NOTICES

148. Any notice or other document may be served by the Company on 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. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

149. Any Member described in the Register by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid and save in the case of a holder of "A" Ordinary Shares no Member other than a Member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.

150. Any notice or other document, if served by post, shall be deemed to have been served forty-eight hours after the same shall have been put into the post office, and in proving such service it shall be sufficient to prove that the notice or document was properly addressed, stamped and put into the post office and that in the case of a Member being a holder of an "A" Ordinary Share described in the Register by an address

not within the United Kingdom that the notice or document was despatched by registered airmail.

151. Any notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service of the notice or document, have been removed from the Register as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

## WINDING-UP

152. If the Company shall be wound up the Liquidator may, with the sanction of an Extraordinary Resolution of the Members, divide among the Members in specie or kind the whole or any part of the assets of the Company and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the Liquidator, with the like sanction, shall think fit.

## INDEMNITY

153. Every Director, Managing Director, Manager, Officer and Auditor of the Company shall be indemnified out of the funds of the Company against all liabilities

incurred by him as such Director, Managing Director, Manager, Officer or Auditor 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 488 of the Act in which relief is granted to him by the Court.

No. 309779

THE COMPANIES ACTS 1929 to 1981

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COMPANY LIMITED BY SHARES

---

# MEMORANDUM

AND

# ARTICLES OF ASSOCIATION

OF

# DEBRON INVESTMENTS PLC

New Articles of Association as adopted by Special Resolution passed 10th December, 1953 to include all amendments made thereto by Special Resolutions subsequently passed upto and including 7th October, 1985

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Incorporated 27th January, 1936

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309779

213

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THE COMPANIES ACT 1985

DEBRON INVESTMENTS PLC

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held on 7th October 1985 the following resolutions were passed:

ORDINARY RESOLUTIONS

(1) THAT the agreement dated 12th September 1985 for the sale of the whole of the issued share capital of Carpets International (U.K.) Limited and of the indebtedness to the Company of Carpets International (U.K.) Limited in consideration for cash, shares and the assumption of the bank indebtedness of the Company, as described in the letter dated 13th September 1985 to shareholders of the Company, be and is hereby approved and that the directors be and are hereby authorised to implement the same.

(2) THAT, subject only to the completion of the agreement dated 12th September 1985 between the Company (1) and John Crowther Group PLC (2), as described in the letter dated 13th September 1985 to shareholders of the Company, the aggregate amount of remuneration to which the directors shall be entitled pursuant to Article 85 of the Company's Articles of Association shall be increased from £15,000 to £50,000 per annum.

SPECIAL RESOLUTIONS

(3) THAT, subject only to the completion of the agreement dated 12th September 1985 between the Company (1) and John Crowther Group PLC (2), as described in the letter dated 13th September 1985 to shareholders of the Company, and to the requirements of the Registrar of Companies, the name of the Company be changed to Debron Investments PLC.

(4) THAT, subject only to the completion of the agreement dated 12th September 1985 between the Company (1) and John Crowther Group PLC (2) (as described in the letter dated 13th September 1985 to shareholders of the Company) and to the confirmation of the Court, the share premium account be reduced from £7,206,120.51 to nil.

.....
Secretary

COMPANIES REGISTRATION
U C
4 JUN 1986
OFFICE

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DUPLICATE SEEN & CHECKED

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IN THE HIGH COURT OF JUSTICE

NO. 002819 of 1986

CHANCERY DIVISION

MR. JUSTICE HOFFMANN

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B.62

MONDAY the 19th day of MAY 1986

IN THE MATTER of DEBRON INVESTMENTS PLC

- and -

IN THE MATTER of THE COMPANIES ACT, 1985

---

Upon the Petition of the above-named Debron Investments PLC (hereinafter called "the Company") whose registered office is situate at Witco House, Barbourne Road, Worcester WR1 1RT on the 9th April 1986 preferred unto this Court

And Upon Hearing Counsel for the Company

And Upon Reading the said Petition the Order dated 2nd May 1986 (dispensing with the settlement of a list of Creditors) the two Affidavits of William Douglas Trow filed respectively the 18th April 1986 and the 2nd May 1986 the Exhibits in the said Affidavits respectively referred to and "The Times" newspaper of the 10th May 1986 (containing a notice of the presentation of the said Petition and that the same was appointed to be heard this day)

This Court Doth Order that the reduction of the Share Premium Account of the Company from £7,206,120.51 to nil resolved on and effected by a Special Resolution passed at an

COMPANIES REGISTRATION LC 23 MAY 1986 OFFICE

OFFICE COPY SUPREME COURT COMPANIES COURT OF JUDICATURE

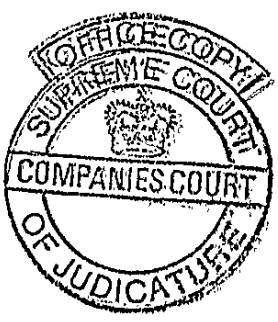
Extraordinary General Meeting of the Company held on the 7th October 1985 be and the same is hereby confirmed in accordance with the provisions of the above mentioned Act

And It Is Ordered that this Order be produced to the Registrar of Companies and that an Office Copy hereof be delivered to him

And It Is Ordered that notice of the registration by the Registrar of Companies of this Order be published once in "The Times" newspaper within 21 days after such registration.

JOHN BRADBURN

REGISTRAR



19th May 1986

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

MR. JUSTICE HOFFMANN

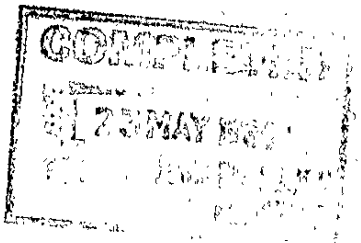
RE: DEBRON INVESTMENTS PLC

AND

RE: THE COMPANIES ACT, 1985

---

Order confirming reduction of Share Premium Account



Slaughter and May,
35, Basinghall Street,
London EC2V 5DB.
REF: RRSB /LIT/PJR/JGWO
TEL: 01-600 1200

275

# FILE COPY

CERTIFICATE OF REGISTRATION

OF ORDER OF COURT

ON

REDUCTION OF SHARE PREMIUM ACCOUNT

Whereas DEBRON INVESTMENTS PLC

having by Special Resolution reduced its share premium account as confirmed by an Order of the High Court of Justice, Chancery Division

dated the 19TH MAY 1986

Now therefore I hereby certify that the said Order was registered pursuant to section 138 of the Companies Act 1985 on the 23RD MAY 1986

Given under my hand at Cardiff the 6TH JUNE 1986

No. 309779

T.G.THOMAS

An Authorised Officer

letter to follow 11/6.

C461(B)

No. 309779

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

ORDINARY RESOLUTIONS
OF
DEBRON INVESTMENTS PLC

Passed on Monday, 8th December, 1986

AT an Extraordinary General Meeting of the above-named Company duly convened and held on Monday, 8th December, 1986, each of the following Resolutions was duly passed as an Ordinary Resolution:

ORDINARY RESOLUTIONS

1. THAT, subject to the passing of Resolution No. 2 as an Ordinary Resolution, the acquisition by Debron (USA), Inc. ("Debron USA"), a wholly owned subsidiary of the Company, of Guilford Industries, Inc. ("Guilford"), a company incorporated under the law of the State of Delaware, on the terms and subject to the conditions of

10 DEC 1986

(i) a stock purchase agreement dated 17th November, 1986 and made between Debron USA (1), the Company (2), Interface Flooring Systems, Inc (3) and certain shareholders of Guilford (4) ("the Acquisition Agreement") (ii) an Agreement and Plan of Merger dated as of 17th November, 1986 and made between the Company (1), Debron USA (2) and Guilford (3) ("the Merger Agreement") and (iii) an offer document issued by Debron USA on 18th November,1986 ("the Tender Offer") (copies of the Acquisition Agreement, the Merger Agreement and the Tender Offer having been produced to the Meeting and signed by the Chairman thereof for the purposes of identification) be and is hereby approved and the Directors be and are hereby authorised to take all necessary action to complete the said acquisition pursuant to the Tender Offer and pursuant to the Acquisition Agreement and the Merger Agreement.

2. THAT, pursuant to Regulation 98 (B) of the Company's Articles of Association, the aggregate amount for the time being of all moneys borrowed by the Company and/or any of its subsidiary companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) which may remain undischarged shall be increased from one and one half times the aggregate of (i) the amount paid up on the issued share capital of the Company and (ii) the amounts standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and profit and loss account) all as shown by a consolidation of the then latest audited balance sheets of the Company and its subsidiaries (adjusted as set out in

sub-paragraphs (a) (b) (c) and (d) of the said Regulation) ("the Share Capital and Reserves") to the greater of one and one half times the Share Capital and Reserves and £100 million.

.....

CHAIRMAN

# FILE COPY

CERTIFICATE OF INCORPORATION

ON CHANGE OF NAME

AND RE-REGISTRATION OF A PUBLIC COMPANY

AS A PRIVATE COMPANY

No. 309779

I hereby certify that

DEBRON INVESTMENTS PLC

formerly registered as a public company having changed its name and having this day been re-registered under the Companies Act 1985 as a private company is now incorporated under the name of

INTERFACE FLOORING SYSTEMS LIMITED

and that the company is limited.

Given under my hand at Cardiff the 4TH JULY 1988

T.G.THOMAS

An Authorised Officer

C4

Certified a true copy of
Resolutions passed on
23rd June, 1988

Company Number: 309779

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS

of

DEBRON INVESTMENTS PLC

(Passed 23rd June, 1988)

By written resolution of all the Members of the Company dated 23rd June 1988 the following Resolutions were unanimously passed as a Special Resolutions of the Company, namely:-

SPECIAL RESOLUTIONS

1. THAT the name of the Company be changed to "Interface Flooring Systems P.L.C."

B0837

BB
£85
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P3

2. THAT the Company be re-registered as a private company and accordingly the memorandum of association be altered with effect from the issue of a certificate of incorporation appropriate to a private company by deleting therefrom clause 2 and renumbering clauses 3 to 6 thereof as 2 to 5 respectively, and being requisite in all the circumstances new articles of association in the form submitted to the Members of the Company and approved without amendment be adopted in lieu and to the exclusion of the present articles of association which shall no longer apply to the Company

.....Harold M. Paisner

COMPANIES FORM No.53

# Application by a public company for re-registration as a private company

Please do not write in this margin

Pursuant to section 53 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number 309779

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

Name of company

* DEBRON INVESTMENTS PLC

* insert existing full name of company

applies to be re-registered as a private company by the name of§

INTERFACE FLOORING SYSTEMS LIMITED

§ insert full name of company amended to make it appropriate for this company as a private limited company

and, for that purpose, delivers the following document(s) for registration:

ø delete if previously presented for registration

[1 Copy of the special resolution that the company be re-registered as a private company.]ø

2 Printed copy of the memorandum and articles of association as altered by the special resolutio

the company be re-registered

Signed Harold M. Paisner [Director][~~Secretary~~]† Date 23rd. Ju

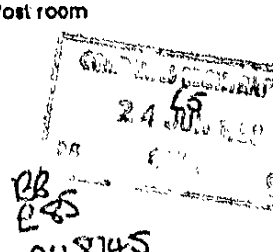
† delete as appropriate

Presentor's name address and reference (if any): Ref/SJS

Messrs. Paisner & Co
Bouverie House
154 Fleet Street
London EC4A 2DQ

For official Use
General Section

Post room



The Companies Act 1985

*The Companies Acts* 1929 *to* 1981

309799

COMPANY LIMITED BY SHARES

# Memorandum of Association

OF

INTERFACE FLOORING SYSTEMS LIMITED

(as amended by special resolution passed 23/6/88)

*1. The name of the Company is " INTERFACE FLOORING SYSTEMS LIMITED".

2. The registered office of the Company will be situate in England.

3. The objects for which the Company is formed are:—

(1) To purchase or otherwise acquire the goodwill of the business of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto heretofore carried on by C.X.T. Limited (formerly Carpet Trades Limited and now in voluntary liquidation) and all or any part or parts of the assets of the said Company and to take over and undertake all or any of the liabilities of the said Company upon such terms as shall be thought fit and for that purpose to enter into and carry into effect with or without modification an Agreement expressed to be made between C.X.T. Limited (now in voluntary liquidation) of the first part John Benjamin Hill the Liquidator of C.X.T. Limited of the second part and this Company of the third part and to carry on and develop the said business.

(2) To carry on all or any of the businesses of manufacturers of and dealers in carpets rugs mats floor coverings furniture

*The name of the Company was changed (i) on 14th December, 1953, to "JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED" pursuant to Special Resolution dated 10th December 1953 and (ii) on 10th April 1969, to "CARPETS INTERNATIONAL LIMITED" pursuant to Special Resolution dated 9th April, 1969 and (iii) on 20th October 1981 to "CARPETS INTERNATIONAL P.L.C." and (iv) on 1st November 1985 to DEBRON INVESTMENTS PLC" pursuant to Special Resolution dated 7th October 1985 and (v) on July to "INTERFACE FLOORING SYSTEMS LIMITED" pursuant to Special Resolutions passed 23rd June 1988.



Registered 24 JUN 1988 Office 91

coverings and fabrics of all kinds and all products incident or allied thereto spinners doublers or twisters of cotton flax hemp jute wool and wool derivatives and other fibrous substances bleachers dyers makers and dealers in bleaching and dyeing materials; to buy sell sort comb card prepare weave felt or otherwise manufacture dye finish and otherwise deal with and deal in the raw manufactured or semi-manufactured state wool and wool derivatives cotton flax hemp jute silk and other fibrous substances and other goods and fabrics of all kinds and to subscribe for acquire and hold share stocks or securities of companies whose objects include the carrying on of all or any such businesses as aforesaid.

(3) To carry on the business of mechanical engineers iron founders and manufacturers of machinery of all kinds tool makers brass founders metal workers boiler makers millwrights machinists iron and steel converters smiths woodworkers builders painters metallurgists electrical and water engineers gas makers and merchants and to buy sell manufacture repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the manufacturing or engineering business of the Company or any contract undertaken by the Company and either for the purpose only of such contract or of any independent business.

(4) To construct execute carry out improve work develop administer manage or control public or private works or conveniences of all kinds including railways tramways roads canals docks reservoirs embankments markets sewerage or drainage water gas electric light hydraulic irrigation and other works and to lay out land for building and to construct and maintain roads or streets and to erect work or operate or advance money for the purpose of erecting working or operating dwellinghouses warehouses hotels shops stores factories mills and every other description of buildings.

(5) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or

indirectly to enhance the value of or render profitable any of the property or rights of the Company.

(6) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business similar analogous or subsidiary to any of the objects of the Company

(7) To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any branch or business so carried on or for financing any such subsidiary company or a company which is directly or indirectly controlled by this Company or in which this Company holds a substantial interest or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business and to act as directors or managers of or to appoint directors or managers of any such subsidiary company or of any other company in which this Company is interested.

(8) To purchase lease or otherwise acquire and build upon any land and to alter enlarge rebuild or otherwise improve any buildings or other property from time to time belonging to the Company or in which the Company may be interested.

(9) To buy or otherwise acquire underwrite issue hold place sell lend money on the security of or otherwise deal with stocks shares bonds debentures and securities of all kinds and to give any guaranty or security in relation thereto or otherwise in connection with any stocks shares bonds debentures or securities.

(10) To purchase or by any other means acquire and protect prolong and renew in the United Kingdom or in any part of the world any patents patent rights brevets d'invention licences protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend

money in experimenting upon and testing and in improving or seeking to improve any patents inventions or rights which the Company may acquire or propose to acquire.

(11) To pay for any property acquired by the Company in shares stock profit-sharing certificates bonds debentures debenture stock or obligations of the Company whether fully or partly paid.

(12) To borrow raise or secure the repayment of money by debentures debenture stock bonds or other obligations and securities of the Company which may be secured upon all or any part of the property of the Company (both present and future) including its uncalled capital or by receiving moneys on loan or deposit at interest or otherwise or in such manner and on such terms as may seem expedient.

(13) To guarantee or become liable for the payment of money or for the performance of any obligations also to transact all kinds of agency business.

(14) To grant pensions allowances gratuities and bonuses to persons who are or have at any time been employed by or trading with the Company or any predecessor of the Company in business or to the wives widows families relatives or dependants of any such persons and to support and subscribe to any schools and any educational scientific literary religious or charitable institutions or trade societies whether such societies be solely connected with the trade carried on by the Company or not and any club or other establishment calculated to advance the interests of the Company or of any such persons as aforesaid.

(15) To make accept endorse discount issue and execute promissory notes bills of exchange and other negotiable instruments.

(16) To invest lend or deal with the moneys of the Company not immediately required upon such securities or investments (not being shares of the Company) or in such manner as may from time to time be determined.

(17) To enter into partnership or any joint purse arrangement or any arrangement for sharing profits union of interests or co-operation with any company firm or person carrying on

or proposing to carry on any business within the objects of this Company and to acquire and hold shares stock or securities of any such company and to lend money to guarantee the contract of or otherwise assist any such company firm or person.

(18) To establish or promote subsidise and assist or concur in establishing or promoting subsidising and assisting any other companies syndicates and partnerships British or foreign whose objects shall include the acquisition and taking over of all or any of the assets rights and liabilities of or shall be considered in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire hold and deal in and with the shares stock or securities of and guarantee the payment of any securities issued by or any other obligation of any such company or the payment of dividends on the shares or stocks of any such company.

(19) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) or any corporations companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government authority corporation company or person any charters contracts decrees rights privileges and concessions which the Company may think desirable and to carry out exercise and comply with any such charters contracts decrees rights privileges and concessions.

(20) To promote any bills in Parliament for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in its constitution or furthering the interests of its Members and to support or oppose any bills in Parliament promoted by others.

(21) To amalgamate with any other company whose objects are or include objects similar to any of those of this Company whether by sale or purchase (for shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any such other company as aforesaid or by partnership or any arrangement of the nature of partnership or in any other manner.

(22) To sell exchange let on rent royalty tribute share of profits or otherwise grant licences easements and other right of and over and in any other manner deal with turn to account or dispose of the undertaking and all or any of the property assets rights and effects for the time being of the Company for such consideration as may be thought fit and in particular wholly or partly for shares stocks debentures or securities or obligations of any other company or of any authority (supreme municipal local or otherwise).

(23) To distribute among the Members or any class of Members *in specie* any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(24) To pay all or any part of the expenses of and incident to the formation and establishment of this Company and to remunerate any parties for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures debenture stock or other securities of the Company or in about the conduct of the Company's business.

(25) To do all or any of the above things in any part of the world and either as principals or agents and either through agents trustees or otherwise and either alone or in conjunction with others.

(26) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

Provided that nothing herein contained shall empower the Company to carry on the business of assurance or to grant annuities within the meaning of the Assurance Companies Act, 1909, as extended by the Industrial Assurance Act, 1923, or the Road Traffic Acts, 1930 to 1934, or to re-insure any risks under any class of assurance business to which those Acts apply.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United

Kingdom or elsewhere and that the objects specified in the different paragraphs of this clause shall except where otherwise expressed in such paragraphs be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

4. The liability of the Members is limited.

5. The share capital of the Company is *£500,000 divided into 1,000,000 shares of 10s. each. See footnote.

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*Footnote:*

*(i) From time to time the share capital has been increased and by Special Resolution passed 1st March, 1967 was reduced and as appears from the Minutes approved by the Court by Order dated 20th March, 1967 confirming such reduction of capital, an Office Copy of which was delivered to the Registrar of Companies for registration on 31st March, 1967, the share capital of the Company on that date was £7,000,000 divided into 14,000,000 Ordinary Shares of 50p each.

(ii) By Special Resolution dated 9th April, 1969 the share capital of the Company was increased to £10,250,000 divided into 20,500,000 Ordinary Shares of 50p each.

(iii) By Ordinary Resolution dated 29th May, 1974 the share capital of the Company was increased to £11,250,000 divided into 22,500,000 Ordinary Shares of 50p each.

(iv) By Ordinary Resolution dated 6th February, 1976 the share capital of the Company was increased to £14,500,000 divided into 29,000,000 Ordinary Shares of 50p each.

(v) By Ordinary Resolution dated 10th January, 1983 the share capital of the Company was sub-divided into 23,679,407 Ordinary Shares of 50p each and 26,602,965 "A" Ordinary Shares of 10p each (by the sub division of each of the 5,320,593 unissued Ordinary Shares of 50p each in the share capital of the Company into 5 "A" Ordinary Shares of 10p each).

Certified a true copy of the new Articles of Association adopted pursuant to Special Resolution passed 23rd June, 1988

.....Harold M. Pai.....
Director

NO. 309799

THE COMPANIES ACT 1985

NEW

ARTICLES OF ASSOCIATION

OF

INTERFACE FLOORING SYSTEMS LIMITED

(Adopted 23rd June 1988)

PRELIMINARY

1. The regulations contained in Table 'A' in the Companies (Tables A to F) Regulations 1985 made pursuant to Section 8 of the Companies Act 1985 (such table and Act being hereinafter referred to respectively as "Table 'A'" and "the Act") shall apply to the Company save in so far as they are excluded or varied hereby; that is to say, Clauses 8, 24, 33, 40, 50, 53, 54, 64, 73-80 (inclusive), 88, 94, 95 and 98 in Table 'A' shall not apply to the Company and, in addition to the remaining clauses in Table 'A' as varied the following shall be the regulations of the Company.

SHARES

2. The Company is a private limited company and accordingly no shares in or debentures of the Company

shall be offered to the public (whether for cash or otherwise) and no allotment or agreement to allot (whether for cash or otherwise) shall be made of any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public

3. The share capital of the Company as at the date of adoption of these Articles of Association is £14,500,000 divided into 23,679,407 Ordinary Shares of 50 pence each and 26,602,965 "A" Ordinary Shares of 10 pence each such Ordinary Shares and "A" Ordinary Shares shall save as to return of capital and dividend rank pari passu in all respects.

4. (1) The whole of the shares of the Company for the time being unissued shall be under the control of the Directors, who are unconditionally authorised for the purposes of Section 80 of the Act generally to allot at any time during the period of 5 years from the date of the adoption of this regulation any relevant securities (as defined by Section 80 (2) of the Act) up to an amount equal to the amount of the authorised share capital of the Company as at the date of adoption of these Articles

from time to time unissued during the period of such authority.

(2) The Directors shall be entitled under the general authority conferred by Regulation 4 (1) above to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities of the Company to be allotted after the expiry of such authority.

(3) Section 89 (1) of the Act shall not apply to any allotment of equity securities (as defined in Section 94 of the Act) in the Company.

5. The Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of any share whether or not it is a fully paid share

6. Subject to the provisions of Part V Chapter VII of the Act the Company may:-

(A) issue redeemable Ordinary Shares of £1 each which shall rank pari passu in all respects with the Ordinary Shares in the Company save that such redeemable Ordinary Shares may be redeemed at par at any time in whole or in part at the option of the Company upon one month's written notice to the holders thereof;

(B) purchase its own shares (including any redeemable Shares);

(C) make a payment in respect of the redemption or purchase under Sections 159 to 161 or (as the case may be) Section 162 of the Act of any of its shares otherwise than out of its distributable profits or the proceeds of a fresh issue of shares.

LIENS AND CALLS

7. (1) The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares standing registered in the name of any member whether solely or one of two or more joint holders for all monies presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien, if any, on a share, shall extend to all dividends payable thereon.

(2) The liability of any member in default in respect of a call shall be increased by the

addition at the end of the first sentence of Regulation 18 of Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment"

PROCEEDINGS AT GENERAL MEETINGS

8. Subject to any special rights or restrictions as to the voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy not himself being a member shall have one vote and on a poll every member who is present in person or by proxy or (being a corporation) is present by a duly authorised representative shall have one vote for every £1 in nominal amount of ordinary share capital of which he is the holder.

9. (1) A resolution in writing signed by all the Members for the time being entitled to receive notice of and to attend and vote at General Meetings or by their proxies (or being corporations by their duly authorised representatives) or by their attorneys shall be as effective for all purposes as a resolution duly passed at a General Meeting of

the Company duly convened and held, and may consist of several documents in the like form each signed by one or more Members or their proxies (or being corporations by their duly authorised representative) or by their Attorneys.

(2) A resolution to which every member has signified his approval by cable, telex telegram telemessage or facsimile transmission shall be as effective for all purposes as a resolution duly passed at a General Meeting of the Company duly convened and held.

10. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the Meeting proceeds to business: save as herein otherwise provided two members present in person or by proxy or (if a corporate member) by a duly authorised representative shall be a quorum: and in the case of an equality of votes, whether on a show of hands or on a poll the Chairman shall be entitled to a casting vote in addition to any other vote he may have

DIRECTORS

11. Unless and until otherwise determined by the Company in General Meeting the number of Directors (other

than alternate directors) shall not be less than one nor shall it be subject to any maximum.

12. A Member or Members holding a majority in nominal value of the issued Ordinary Shares and Redeemable Ordinary Shares for the time being in the Company shall have power from time to time and at any time to appoint any person or persons as a Director or Directors either as an additional Director or Directors or to fill any vacancy and to remove from office any Director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the Member or Members making the same, or in the case of a Member being a company signed by one of its directors on its behalf and shall take effect upon lodgment at the registered office of the Company.

13. The Company in General Meeting may appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing directors.

14. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing directors.

15. A Director who declares his interest therein in manner provided by the Act may vote as a Director in

regard to any contract or arrangement, in which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall be counted and he shall be counted in the quorum when any such contract or arrangement is under consideration.

16. A resolution in writing signed by all the Directors or a resolution to which all such Directors have signified their approval by cable, telex, telegram, telemessage or facsimile transmission shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors, but so that the expression "Director" in this Article shall not include an alternate Director unless he has been appointed by a Director who is for the time being absent from the United Kingdom.

17. (1) Subject to the provisions of these regulations, the Directors may regulate their proceedings as they think fit

(2) A Director may, and the Secretary at the request of any Director shall, call a meeting of Directors

(3) Questions arising at a meeting shall be decided by a majority of votes

(4) In the case of an equality of votes, the Chairman shall have a second or casting vote

(5) A Director who is also an alternate director shall be entitled in the absence of his appointer to a separate vote on behalf of his appointer in addition to his own vote

(6) It shall be necessary to give notice of meetings to Directors who are absent from the United Kingdom provided that such Directors have given to the Company forwarding addresses and despatch of notices to such addresses shall be deemed good and effective notice pursuant to these Regulations

18. Directors, or if appropriate, their alternates may participate in a meeting of Directors or committee thereof by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other; participation by such means shall be deemed to constitute presence in person and business so transacted shall be as effective for all purposes as a meeting of the Directors duly convened and held with all Directors present.

ASSOCIATE DIRECTORS

19. (a) The Directors shall have power from time to time to designate any person or persons in the

employment of the Company not being Directors as an Associate Director or Associate Directors of the Company and also at any time to revoke such designation as regards any person so appointed.

(b) The designation of a person as an Associate Director shall not confer upon him the status of a Director or entitle him to vote at meetings of the Directors or to attend such meetings unless specifically invited to attend; none of the provisions of these Regulations or of the Statutes concerning Directors shall apply to an Associate Director.

(c) A person designated as an Associate Director shall not unless the Company in General Meeting shall otherwise determine be entitled to any additional remuneration on that account and the terms of any service agreement between the Company and such a person shall in no way be affected by his designation as an Associate Director or by the revocation thereof. He shall be entitled to be described as an Associate Director of the Company so long as he shall continue to be so designated.

Certified a true copy of the original by Harold M Paisner a Director of Interface Flooring Systems Limited this 9th day of September 1988

Harold M. Paisner

Company No. 309779

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

UNANIMOUS WRITTEN RESOLUTIONS

- of -

INTERFACE FLOORING SYSTEMS LIMITED

(Passed 7th September, 1988)

By these unanimous written resolutions signed by all the members of the above named Company entitled to attend and vote at meetings of the Company the following Resolutions are duly passed as Special Resolutions of the Company.

SPECIAL RESOLUTIONS

1. THAT the Memorandum of Association of the Company be amended by the deletion of paragraph (16) of Clause 3 of the said Memorandum, and the substitution therefor of the following:-

"(16) Whether with or without benefit to the Company to:-

(i) invest, lend or deal with the monies of the Company and/or

(ii) compromise, release, defer or subordinate the repayment of, any amount owed to the Company

COMPANIES REGISTRATION OFFICE 12 SEP 1988 20

Certified a true copy of the original by Harold M Paisner a Director of Interface Flooring Systems Limited this 9th day of September 1988

Harold M. Paisner

2. THAT the Articles of Association of the Company be amended by deleting Regulation 5 and substituting the following:-

"5. The Directors may, in their absolute discretion and without assigning any further reason therefor, refuse to register any share transfer unless:-

(i) it is in respect of a fully paid share;

(ii) it is in respect of a share on which the Company does not have a lien;

(iii) it is in respect of only one class of shares; and

(iv) it is in favour of not more than four joint holders as transferees."

R.C. Anderson
duly authorised for
and on behalf of
INTERFACE OVERSEAS, INC

R.C. Anderson
duly authorised for
and on behalf of
INTERFACE, INC.

H.M. PAISNER

3049a

COMPANIES REGISTRATION
7 SEP 1988
OFFICE

Company No. 309779

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

UNANIMOUS WRITTEN RESOLUTIONS

- of -

INTERFACE FLOORING SYSTEMS LIMITED

(Passed 7th September, 1988)

By these unanimous written resolutions signed by all the members of the above named Company entitled to attend and vote at meetings of the Company the following Resolutions are duly passed as Special Resolutions of the Company.

SPECIAL RESOLUTIONS

1. THAT the Memorandum of Association of the Company be amended by the deletion of paragraph (16) of Clause 3 of the said Memorandum, and the substitution therefor of the following:-

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(ii) compromise, release, defer or subordinate the repayment of, any amount owed to the Company."

COMPANIES REGISTRATION OFFICE 9 SEP 1988 27

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(i) it is in respect of a fully paid share;

(ii) it is in respect of a share on which the Company does not have a lien;

(iii) it is in respect of only one class of shares; and

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R.C. Anderson
duly authorised for
and on behalf of
INTERFACE OVERSEAS, INC

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and on behalf of
INTERFACE, INC.

H.M. PAISNER

3049a

COMPANIES REGISTRATION
9 SEP 1988
M OFFICE 27

Department of Trade and Industry
COMPANIES HOUSE
CARDIFF CF4 3UZ

Tel: Cardiff (0222) 380018

THE DIRECTORS
INTERFACE FLOORING SYSTEMS
LIMITED
SHELF MILLS
SHELF
NR HALIFAX
WEST YORKSHIRE HX3 7PA

Please address any reply to the Registrar
quoting reference DEF1E/ 309779

Date 6 JANUARY 1989

# FIRST AND FINAL NOTICE

Dear Sirs

COMPANIES ACT 1985
INTERFACE FLOORING SYSTEMS
LIMITED

My records indicate that the latest accounts received for this company are for the period ending 28/12/86

Under the Companies Act, the directors of a private company are personally responsible for delivering a copy of the company's accounts to me within 10 months of the end of the accounting period concerned. This applies whether or not the company has traded in the year in question.

Failure to comply with this requirement may result in the prosecution of those concerned. Persistent failure may lead to their disqualification from acting as directors.

Unless the latest accounts have been sent recently, would you please ensure that they reach this office within the next 14 days.

If they were sent more than 21 days ago, would you please contact us in order that we can check the records for your company.

Yours faithfully

L A HIGGINS (Mrs)
for Registrar

COMPANIES HOUSE
11 JAN 1989

G538

HD105A

Certified a true copy of
Resolutions passed on
23rd June, 1988

Company Number: 309779

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS

of

DEBRON INVESTMENTS PLC

(Passed 23rd June, 1988)

By written resolution of all the Members of the Company dated 23rd June 1988 the following Resolutions were unanimously passed as a Special Resolutions of the Company, namely:-

SPECIAL RESOLUTIONS

1. THAT the name of the Company be changed to "Interface Flooring Systems P.L.C."

B0837

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£85
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P3

2. THAT the Company be re-registered as a private company and accordingly the memorandum of association be altered with effect from the issue of a certificate of incorporation appropriate to a private company by deleting therefrom clause 2 and renumbering clauses 3 to 6 thereof as 2 to 5 respectively, and being requisite in all the circumstances new articles of association in the form submitted to the Members of the Company and approved without amendment be adopted in lieu and to the exclusion of the present articles of association which shall no longer apply to the Company

.....Harold M. Paisner

COMPANIES FORM No.53

# Application by a public company for re-registration as a private company

53

Please do not write in this margin

Pursuant to section 53 of the Companies Act 1985

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

To the Registrar of Companies

For official use

Company number 309779

Name of company

* insert existing full name of company

* DEBRON INVESTMENTS PLC

§ insert full name of company amended to make it appropriate for this company as a private limited company

applies to be re-registered as a private company by the name of§ INTERFACE FLOORING SYSTEMS LIMITED

and, for that purpose, delivers the following document(s) for registration:

ø delete if previously presented for registration

[1 Copy of the special resolution that the company be re-registered as a private company.]ø

2 Printed copy of the memorandum and articles of association as altered by the special resolution that the company be re-registered

† delete as appropriate

Signed Harold M. Paisner [Director][~~Secretary~~]† Date 23rd. June 1988

Presentor's name address and reference (if any): Ref/SJS

Messrs. Paisner & Co
Bouverie House
154 Fleet Street
London EC4A 2DQ

For official Use

General Section

Post room

COMPANIES REGISTRATION
24 JUN 1988
M
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BB
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048745

The Companies Act 1985

*The Companies Acts* 1929 *to* 1981

209799

COMPANY LIMITED BY SHARES

# Memorandum of Association

OF

INTERFACE FLOORING SYSTEMS LIMITED

(as amended by special resolution passed 23/6/88)

*1. The name of the Company is " INTERFACE FLOORING SYSTEMS LIMITED".

2. The registered office of the Company will be situate in England.

3. The objects for which the Company is formed are:—

(1) To purchase or otherwise acquire the goodwill of the business of manufacturers of and dealers in carpets rugs mats floor coverings furniture coverings and fabrics of all kinds and all products incident or allied thereto heretofore carried on by C.X.T. Limited (formerly Carpet Trades Limited and now in voluntary liquidation) and all or any part or parts of the assets of the said Company and to take over and undertake all or any of the liabilities of the said Company upon such terms as shall be thought fit and for that purpose to enter into and carry into effect with or without modification an Agreement expressed to be made between C.X.T. Limited (now in voluntary liquidation) of the first part John Benjamin Hill the Liquidator of C.X.T. Limited of the second part and this Company of the third part and to carry on and develop the said business.

(2) To carry on all or any of the businesses of manufacturers of and dealers in carpets rugs mats floor coverings furniture

*The name of the Company was changed (i) on 14th December, 1953, to "JOHN CROSSLEY-CARPET TRADES HOLDINGS LIMITED" pursuant to Special Resolution dated 10th December 1953 and (ii) on 10th April 1969, to "CARPETS INTERNATIONAL LIMITED" pursuant to Special Resolution dated 9th April, 1969 and (iii) on 20th October 1981 to "CARPETS INTERNATIONAL P.L.C." and (iv) on 1st November 1985 to DEBRON INVESTMENTS PLC" pursuant to Special Resolution dated 7th October 1985 and (v) on July to "INTERFACE FLOORING SYSTEMS LIMITED" pursuant to Special Resolutions passed 23rd June 1988.



24 JUN 1988 OFFICE 91

coverings and fabrics of all kinds and all products incident or allied thereto spinners doublers or twisters of cotton flax hemp jute wool and wool derivatives and other fibrous substances bleachers dyers makers and dealers in bleaching and dyeing materials; to buy sell sort comb card prepare weave felt or otherwise manufacture dye finish and otherwise deal with and deal in the raw manufactured or semi-manufactured state wool and wool derivatives cotton flax hemp jute silk and other fibrous substances and other goods and fabrics of all kinds and to subscribe for acquire and hold share stocks or securities of companies whose objects include the carrying on of all or any such businesses as aforesaid.

(3) To carry on the business of mechanical engineers iron founders and manufacturers of machinery of all kinds tool makers brass founders metal workers boiler makers millwrights machinists iron and steel converters smiths woodworkers builders painters metallurgists electrical and water engineers gas makers and merchants and to buy sell manufacture repair convert alter let on hire and deal in machinery implements rolling stock and hardware of all kinds and to carry on any business relating to the winning and working of minerals the production and working of metals and the production manufacture and preparation of any other materials which may be usefully or conveniently combined with the manufacturing or engineering business of the Company or any contract undertaken by the Company and either for the purpose only of such contract or of any independent business.

(4) To construct execute carry out improve work develop administer manage or control public or private works or conveniences of all kinds including railways tramways roads canals docks reservoirs embankments markets sewerage or drainage water gas electric light hydraulic irrigation and other works and to lay out land for building and to construct and maintain roads or streets and to erect work or operate or advance money for the purpose of erecting working or operating dwellinghouses warehouses hotels shops stores factories mills and every other description of buildings.

(5) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or

indirectly to enhance the value of or render profitable any of the property or rights of the Company.

(6) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business similar analogous or subsidiary to any of the objects of the Company.

(7) To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any branch or business so carried on or for financing any such subsidiary company or a company which is directly or indirectly controlled by this Company or in which this Company holds a substantial interest or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business and to act as directors or managers of or to appoint directors or managers of any such subsidiary company or of any other company in which this Company is interested.

(8) To purchase lease or otherwise acquire and build upon any land and to alter enlarge rebuild or otherwise improve any buildings or other property from time to time belonging to the Company or in which the Company may be interested.

(9) To buy or otherwise acquire underwrite issue hold place sell lend money on the security of or otherwise deal with stocks shares bonds debentures and securities of all kinds and to give any guaranty or security in relation thereto or otherwise in connection with any stocks shares bonds debentures or securities.

(10) To purchase or by any other means acquire and protect prolong and renew in the United Kingdom or in any part of the world any patents patent rights brevets d'invention licences protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend

money in experimenting upon and testing and in improving or seeking to improve any patents inventions or rights which the Company may acquire or propose to acquire.

(11) To pay for any property acquired by the Company in shares stock profit-sharing certificates bonds debentures debenture stock or obligations of the Company whether fully or partly paid.

(12) To borrow raise or secure the repayment of money by debentures debenture stock bonds or other obligations and securities of the Company which may be secured upon all or any part of the property of the Company (both present and future) including its uncalled capital or by receiving moneys on loan or deposit at interest or otherwise or in such manner and on such terms as may seem expedient.

(13) To guarantee or become liable for the payment of money or for the performance of any obligations also to transact all kinds of agency business.

(14) To grant pensions allowances gratuities and bonuses to persons who are or have at any time been employed by or trading with the Company or any predecessor of the Company in business or to the wives widows families relatives or dependants of any such persons and to support and subscribe to any schools and any educational scientific literary religious or charitable institution or trade societies whether such societies be solely connected with the trade carried on by the Company or not and any club or other establishment calculated to advance the interests of the Company or of any such persons as aforesaid.

(15) To make accept endorse discount issue and execute promissory notes bills of exchange and other negotiable instruments.

(16) To invest lend or deal with the moneys of the Company not immediately required upon such securities or investments (not being shares of the Company) or in such manner as may from time to time be determined.

(17) To enter into partnership or any joint purse arrangement or any arrangement for sharing profits union of interests or co-operation with any company firm or person carrying on

or proposing to carry on any business within the objects of this Company and to acquire and hold shares stock or securities of any such company and to lend money to guarantee the contract of or otherwise assist any such company firm or person.

(18) To establish or promote subsidise and assist or concur in establishing or promoting subsidising and assisting any other companies syndicates and partnerships British or foreign whose objects shall include the acquisition and taking over of all or any of the assets rights and liabilities of or shall be considered in any manner calculated to advance directly or indirectly the objects or interests of this Company and to acquire hold and deal in and with the shares stock or securities of and guarantee the payment of any securities issued by or any other obligation of any such company or the payment of dividends on the shares or stocks of any such company.

(19) To enter into any arrangements with any governments or authorities (supreme municipal local or otherwise) or any corporations companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government authority corporation company or person any charters contracts decrees rights privileges and concessions which the Company may think desirable and to carry out exercise and comply with any such charters contracts decrees rights privileges and concessions.

(20) To promote any bills in Parliament for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in its constitution or furthering the interests of its Members and to support or oppose any bills in Parliament promoted by others.

(21) To amalgamate with any other company whose objects are or include objects similar to any of those of this Company whether by sale or purchase (for shares or otherwise) of the undertaking subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any such other company as aforesaid or by partnership or any arrangement of the nature of partnership or in any other manner.

(22) To sell exchange let on rent royalty tribute share of profits or otherwise grant licences easements and other rights of and over and in any other manner deal with turn to account or dispose of the undertaking and all or any of the property assets rights and effects for the time being of the Company for such consideration as may be thought fit and in particular wholly or partly for shares stocks debentures or securities or obligations of any other company or of any authority (supreme municipal local or otherwise).

(23) To distribute among the Members or any class of Members *in specie* any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(24) To pay all or any part of the expenses of and incident to the formation and establishment of this Company and to remunerate any parties for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures debenture stock or other securities of the Company or in about the conduct of the Company's business.

(25) To do all or any of the above things in any part of the world and either as principals or agents and either through agents trustees or otherwise and either alone or in conjunction with others.

(26) To do all such other things as may be considered to be incidental or conducive to the attainment of the above objects or any of them.

Provided that nothing herein contained shall empower the Company to carry on the business of assurance or to grant annuities within the meaning of the Assurance Companies Act, 1909, as extended by the Industrial Assurance Act, 1923, or the Road Traffic Acts, 1930 to 1934, or to re-insure any risks under any class of assurance business to which those Acts apply.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United

Kingdom or elsewhere and that the objects specified in the different paragraphs of this clause shall except where otherwise expressed in such paragraphs be in nowise limited by reference to or inference from any other paragraph or the name of the Company.

4. The liability of the Members is limited.

5. The share capital of the Company is *£500,000 divided into 1,000,000 shares of 10s. each. See footnote.

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*Footnote:*

*(i) From time to time the share capital has been increased and by Special Resolution passed 1st March, 1967 was reduced and as appears from the Minutes approved by the Court by Order dated 20th March, 1967 confirming such reduction of capital, an Office Copy of which was delivered to the Registrar of Companies for registration on 31st March, 1967, the share capital of the Company on that date was £7,000,000 divided into 14,000,000 Ordinary Shares of 50p each.

(ii) By Special Resolution dated 9th April, 1969 the share capital of the Company was increased to £10,250,000 divided into 20,500,000 Ordinary Shares of 50p each.

(iii) By Ordinary Resolution dated 29th May, 1974 the share capital of the Company was increased to £11,250,000 divided into 22,500,000 Ordinary Shares of 50p each.

(iv) By Ordinary Resolution dated 6th February, 1976 the share capital of the Company was increased to £14,500,000 divided into 29,000,000 Ordinary Shares of 50p each.

(v) By Ordinary Resolution dated 10th January, 1983 the share capital of the Company was sub-divided into 23,679,407 Ordinary Shares of 50p each and 26,602,965 "A" Ordinary Shares of 10p each (by the sub-division of each of the 5,320,593 unissued Ordinary Shares of 50p each in the share capital of the Company into 5 "A" Ordinary Shares of 10p each).

Certified a true copy of the ne
Articles of Association adopte
pursuant to Special Resolution
passed 23rd June, 1988

Harold M. Pa
Director

NO. 309799

THE COMPANIES ACT 1985

NEW

ARTICLES OF ASSOCIATION

OF

INTERFACE FLOORING SYSTEMS LIMITED

(Adopted 23rd June 1988)

PRELIMINARY

1. The regulations contained in Table 'A' in the Companies (Tables A to F) Regulations 1985 made pursuant to Section 8 of the Companies Act 1985 (such table and Act being hereinafter referred to respectively as "Table 'A'" and "the Act") shall apply to the Company save in so far as they are excluded or varied hereby; that is to say, Clauses 8, 24, 33, 40, 50, 53, 54, 64, 73-80 (inclusive), 88, 94, 95 and 98 in Table 'A' shall not apply to the Company and, in addition to the remaining clauses in Table 'A' as varied the following shall be the regulations of the Company.

SHARES

2. The Company is a private limited company and accordingly no shares in or debentures of the Company

shall be offered to the public (whether for cash or otherwise) and no allotment or agreement to allot (whether for cash or otherwise) shall be made of any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public

3. The share capital of the Company as at the date of adoption of these Articles of Association is £14,500,000 divided into 23,679,407 Ordinary Shares of 50 pence each and 26,602,965 "A" Ordinary Shares of 10 pence each such Ordinary Shares and "A" Ordinary Shares shall save as to return of capital and dividend rank pari passu in all respects.

4. (1) The whole of the shares of the Company for the time being unissued shall be under the control of the Directors, who are unconditionally authorised for the purposes of Section 80 of the Act generally to allot at any time during the period of 5 years from the date of the adoption of this regulation any relevant securities (as defined by Section 80 (2) of the Act) up to an amount equal to the amount of the authorised share capital of the Company as at the date of adoption of these Articles

from time to time unissued during the period of such authority.

(2) The Directors shall be entitled under the general authority conferred by Regulation 4 (1) above to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities of the Company to be allotted after the expiry of such authority.

(3) Section 89 (1) of the Act shall not apply to any allotment of equity securities (as defined in Section 94 of the Act) in the Company.

5. The Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of any share whether or not it is a fully paid share

6. Subject to the provisions of Part V Chapter VII of the Act the Company may:-

(A) issue redeemable Ordinary Shares of £1 each which shall rank pari passu in all respects with the Ordinary Shares in the Company save that such redeemable Ordinary Shares may be redeemed at par at any time in whole or in part at the option of the Company upon one month's written notice to the holders thereof;

(B) purchase its own shares (including any redeemable Shares);

(C) make a payment in respect of the redemption or purchase under Sections 159 to 161 or (as the case may be) Section 162 of the Act of any of its shares otherwise than out of its distributable profits or the proceeds of a fresh issue of shares.

LIENS AND CALLS

7. (1) The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares standing registered in the name of any member whether solely or one of two or more joint holders for all monies presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien, if any, on a share, shall extend to all dividends payable thereon.

(2) The liability of any member in default in respect of a call shall be increased by the

addition at the end of the first sentence of Regulation 18 of Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment"

PROCEEDINGS AT GENERAL MEETINGS

8. Subject to any special rights or restrictions as to the voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy not himself being a member shall have one vote and on a poll every member who is present in person or by proxy or (being a corporation) is present by a duly authorised representative shall have one vote for every £1 in nominal amount of ordinary share capital of which he is the holder.

9. (1) A resolution in writing signed by all the Members for the time being entitled to receive notice of and to attend and vote at General Meetings or by their proxies (or being corporations by their duly authorised representatives) or by their attorneys shall be as effective for all purposes as a resolution duly passed at a General Meeting of

the Company duly convened and held, and may consist of several documents in the like form each signed by one or more Members or their proxies (or being corporations by their duly authorised representative) or by their Attorneys.

(2) A resolution to which every member has signified his approval by cable, telex telegram telemessage or facsimile transmission shall be as effective for all purposes as a resolution duly passed at a General Meeting of the Company duly convened and held.

10. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the Meeting proceeds to business: save as herein otherwise provided two members present in person or by proxy or (if a corporate member) by a duly authorised representative shall be a quorum: and in the case of an equality of votes, whether on a show of hands or on a poll the Chairman shall be entitled to a casting vote in addition to any other vote he may have

DIRECTORS

11. Unless and until otherwise determined by the Company in General Meeting the number of Directors (other

than alternate directors) shall not be less than one nor shall it be subject to any maximum.

12. A Member or Members holding a majority in nominal value of the issued Ordinary Shares and Redeemable Ordinary Shares for the time being in the Company shall have power from time to time and at any time to appoint any person or persons as a Director or Directors either as an additional Director or Directors or to fill any vacancy and to remove from office any Director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the Member or Members making the same, or in the case of a Member being a company signed by one of its directors on its behalf and shall take effect upon lodgment at the registered office of the Company.

13. The Company in General Meeting may appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing directors.

14. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing directors.

15. A Director who declares his interest therein in manner provided by the Act may vote as a Director in

regard to any contract or arrangement, in which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall be counted and he shall be counted in the quorum when any such contract or arrangement is under consideration.

16. A resolution in writing signed by all the Directors or a resolution to which all such Directors have signified their approval by cable, telex, telegram, telemessage or facsimile transmission shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors, but so that the expression "Director" in this Article shall not include an alternate Director unless he has been appointed by a Director who is for the time being absent from the United Kingdom.

17. (1) Subject to the provisions of these regulations, the Directors may regulate their proceedings as they think fit

(2) A Director may, and the Secretary at the request of any Director shall, call a meeting of Directors

(3) Questions arising at a meeting shall be decided by a majority of votes

(4) In the case of an equality of votes, the Chairman shall have a second or casting vote

(5) A Director who is also an alternate director shall be entitled in the absence of his appointer to a separate vote on behalf of his appointer in addition to his own vote

(6) It shall be necessary to give notice of meetings to Directors who are absent from the United Kingdom provided that such Directors have given to the Company forwarding addresses and despatch of notices to such addresses shall be deemed good and effective notice pursuant to these Regulations

18. Directors, or if appropriate, their alternates may participate in a meeting of Directors or committee thereof by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other; participation by such means shall be deemed to constitute presence in person and business so transacted shall be as effective for all purposes as a meeting of the Directors duly convened and held with all Directors present.

ASSOCIATE DIRECTORS

19. (a) The Directors shall have power from time to time to designate any person or persons in the

employment of the Company not being Directors as an Associate Director or Associate Directors of the Company and also at any time to revoke such designation as regards any person so appointed.

(b) The designation of a person as an Associate Director shall not confer upon him the status of a Director or entitle him to vote at meetings of the Directors or to attend such meetings unless specifically invited to attend; none of the provisions of these Regulations or of the Statutes concerning Directors shall apply to an Associate Director.

(c) A person designated as an Associate Director shall not unless the Company in General Meeting shall otherwise determine be entitled to any additional remuneration on that account and the terms of any service agreement between the Company and such a person shall in no way be affected by his designation as an Associate Director or by the revocation thereof. He shall be entitled to be described as an Associate Director of the Company so long as he shall continue to be so designated.

FILE COPY

CERTIFICATE OF INCORPORATION

ON CHANGE OF NAME

AND RE-REGISTRATION OF A PUBLIC COMPANY

AS A PRIVATE COMPANY

No. 309779

I hereby certify that

DEBRON INVESTMENTS PLC

formerly registered as a public company having changed its name and having this day been re-registered under the Companies Act 1985 as a private company is now incorporated under the name of

INTERFACE FLOORING SYSTEMS LIMITED

and that the company is limited.

Given under my hand at Cardiff the 4TH JULY 1988

T.G.THOMAS

An Authorised Officer

C461(B

Company No. 309779

# NOTICE OF REMOVAL OF DOCUMENT(S) FROM MICROFICHE RECORD

Company name: INTERFACE FLOORING SYSTEMS LTD.

Document removed: COURT ORDER TO WIND UP.

Reason for removal:

COMPANY PETITIONED IN CASE FOR SARICOURT LTD 1657080. COURT ENTERED WRONG NAME ON DOCUMENT. AMENDING ORDER FOR SARICOURT (23.1.92) RECEIVED 30.1.92.

Signed: _____ Assistant Registrar

Date: 30/1/1992

ML 28

No. 309779

# INTERFACE FLOORING SYSTEMS LIMITED

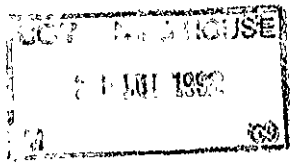
## WRITTEN RESOLUTION

All the members of the Company entitled to attend and vote at general meetings of the Company have resolved that the following resolution be passed to take effect as a Special Resolution with an effective date of 21st July 1992:

THAT the Articles of Association of the Company be amended by deleting from Regulation 7(1) the words "and the Company shall also have a first and paramount lien on all shares standing registered in the name of any member whether solely or one of two or more joint holders for all monies presently payable by him or his estate to the Company".

.....
Company Secretary

M182(2)/SRM/sjf



Company Number 309779

# INTERFACE FLOORING SYSTEMS LTD

## SPECIAL RESOLUTION

Both members owning the whole of the share capital unanimously resolve that the Company name be changed to "INTERFACE EUROPE LTD."

For and on behalf of

INTERFACE INC

INTERFACE EUROPE INC

DATED 6TH JULY 1993

Certified a true copy
A. F. Hill
DIRECTOR.
6-7-93.

FILE COPY

# CERTIFICATE OF INCORPORATION

# ON CHANGE OF NAME

No. 309779

I hereby certify that

INTERFACE FLOORING SYSTEMS LIMITED

having by special resolution changed its name,

is now incorporated under the name of

INTERFACE EUROPE LTD.

Given under my hand at the Companies Registration Office

Cardiff the 14 JULY 1993

M.LEWIS

an authorised officer

3097 19

**SPECIAL RESOLUTION TO ALTER ARTICLES OF ASSOCIATION OF**

**INTERFACE EUROPE LIMITED**

The extraordinary general meeting of shareholders,

held at: Atlanta Office
2859 Paces Ferry Road
Suite 2000
Atlanta, Georgia 30339
United States of America

on: December 30, 1993

Present: R.C. Anderson, chairman
D.E. Russell, secretary
on behalf of the shareholders

1. Mr Anderson took the chair and declared the meeting open. Because all shareholders representing the total share capital are legally represented at this meeting, resolutions of shareholders will be taken legally, even when formalities are not fulfilled or only partly fulfilled, provided that all votes are unanimous.

2. It was unanimously RESOLVED that the Articles of Association of Interface Europe Limited be altered as follows:

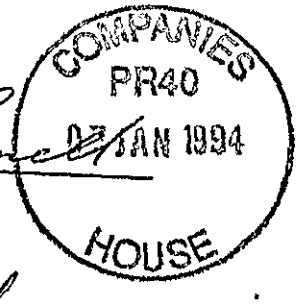
   a. by deleting article 14
   b. by renumbering existing article 15 to read as article 14
   c. by renumbering existing article 16 to read as article 15
   d. by renumbering existing article 17 to read as article 16
   e. by renumbering existing article 18 to read as article 17
   f. by deleting article 19

   THAT the regulations contained in the (printed) document (marked "A") submitted to this meeting and for the purpose of identification, signed by the chairman hereof be approved and adopted as the Articles of Association of the Company in Substitution for and to the exclusion of all the existing articles thereof.

3. There being no other business, the meeting then closed.

Chairman

Secretary




Certified a true copy.
A. [illegible]
DIRECTOR 6-1-94.

"A"

Certified a true copy of the new Articles of Association adopted pursuant to a Special Resolution passed, and amended 7th September, 21st July 1992 and 3rd. December 1993

Director

Company No. ~~309799~~ 309779

THE COMPANIES ACT 1985

NEW

ARTICLES OF ASSOCIATION

OF INTERFACE EUROPE LTD

FORMERLY:- INTERFACE FLOORING SYSTEMS LIMITED

(Adopted 23rd June 1988)

PRELIMINARY

1. The regulations contained in Table 'A' in the companies (Tables A to F) Regulations 1985 made pursuant to Section 8 of the Companies Act 1985 (such table and Act being hereinafter referred to respectively as "Table A" and "the Act") shall apply to the Company save in so far as they are excluded or varied hereby; that is to say, Clauses 8, 24, 33, 40, 50, 53, 54, 53, 73-80 (inclusive), 88, 94, 95 and 98 in Table 'A' shall not apply to the Company and, in addition to the remaining clauses in Table 'A' as varied the following shall be the regulations of the Company.

SHARES

2. The Company is a private limited company and accordingly no shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and no allotment or agreement to allot (whether for cash or otherwise) shall be made of any shares in or debentures of the company with a view to all or any of those shares or debentures being offered for sale to the public.

COMPANIES PR40 07 JAN 1994 HOUSE

3. The share capital of the Company as at the date of adoption of these Articles of Association if £14,500,000 divided into 23,679,407 Ordinary Shares of 50 pence each and 26,602,965 "A" Ordinary Shares of 10 pence each such Ordinary Shares and "A" Ordinary Shares shall save as to return of capital and dividend rank pari passu in all respects.

4. (i) The whole of the shares of Company for the time being unissued shall be under the control of the Directors, who are unconditionally authorised for the purposes of Section 80 of the Act generally to allot at any time during the period of 5 years from the date of the adoption of this regulation any relevant securities (as defined by Section 80 (2) of the Act) up to an amount equal to the amount of the authorised share capital of the Company as at the date of adoption of these Articles from time to time unissued during the period of such authority.

(ii) The Directors shall be entitled under the general authority conferred by Regulation 4 (i) above to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities of the Company to be allotted after the expiry of such authority.

(iii) Section 89 (1) of the Act shall not apply to any allotment of equity securities (as defined in Section 94 of the Act) in the company.

5. The Directors may, in their absolute discretion and without assigning any further reason therefore, refuse to register any share transfer unless:

(i) it is in respect of a fully paid share;

(ii) it is in respect of a share on which the Company does not have a lieu;

(iii) it is in respect of only one class of shares; and

(iv) it is in favour of not more than four joint holders as transferees.

6. Subject to the provisions of Part V Chapter VII of the Act the Company may:

(A) issue redeemable Ordinary Shares of £1 each which shall rank pari passu in all respects with the Ordinary Shares in the Company save that such redeemable Ordinary Shares may be redeemed at par at any time in whole or in part at the option of the Company upon one month's written notice to the holders thereof;

(B) purchase its own shares (including any redeemable Shares);

(C) make a payment in respect of the redemption or purchase under Sections 159 to 161 or (as the case may be) Section 162 of the Act of any of its shares otherwise than out of its distributable profits or the proceeds of a fresh issue of shares.

## LIENS AND CALLS

7. (i) The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien, if any, on a share, shall extend to all dividends payable thereon.

(ii) The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of Regulation 18 of Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment."

## PROCEEDINGS AT GENERAL MEETINGS

8. Subject to any special rights or restrictions as to the voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy not himself being a member shall have one vote and on a poll every member who is present in person or by proxy or (being a corporation) is present by a duly authorised representative shall have one vote for every £1 in nominal amount of ordinary share capital of which he is the holder.

9. (i) A resolution in writing signed by all the Members for the time being entitled to receive notice of an to attend and vote at General Meetings or by their proxies (or being corporations by their duly authorised representatives) or by their attorneys shall be as effective for all purposes as a resolution duly passed at a General Meeting of the Company duly convened and held, and may consist of several documents in the like form each signed by one or more Members or their proxies (or being corporations by their duly authorised representative) or by their Attorneys.

(ii) A resolution to which every member has signified his approval by cable, telex telegram telemessage or facsimile transmission shall be as effective for all purposes as a resolution duly passed at a General Meeting of the Company duly convened and held.

10. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the Meeting proceeds to business: save as herein otherwise provided two members present in person or by proxy or (if a corporate member) by a duly authorised representative shall be a quorum: and in the case of an equality of votes, whether on a show of hands or on a poll the Chairman shall be entitled to a casting vote in addition to any other vote he may have.

## DIRECTORS

11. Unless and until otherwise determined by the Company in General Meeting the number of Directors (other than alternate directors) shall not be less than one nor shall it be subject to any maximum.

12. A member or Members holding a majority in nominal value of the issued Ordinary Shares and Redeemable Ordinary Shares for the time being in the Company shall have power from time to time and at any time to appoint any person or persons as a Director or Directors either as an additional Director or Directors or to fill any vacancy and to remove from office any Director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the Member or Members making the same, or in the case of a Member being a company signed by one of its directors on its behalf and shall take effect upon lodgment at the registered office of the Company.

13. The Company in General Meeting may appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing directors.

14. A Director who declares his interest therein in manner provided by the Act may vote as a Director in regard to any contract or arrangement, in which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall be counted and he shall be counted in the quorum when any such contract or arrangement is under consideration.

15. A resolution in writing signed by all the Directors or a resolution to which all such Directors have signified their approval by cable, telex, telegram, telemessage or facsimile transmission shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly covened and held, and may consist of several documents in the like form, each signed by one or more of the Directors, but so that the expression "Director" in this Article shall not include an alternate Director unless he has been appointed by a Director who is for the time being absent from the United Kingdom.

16. (i) Subject to the provisions of these regulations, the Directors may regulate their proceedings as they think fit.

(ii) A Director may, and the Secretary at the request of any Director shall, call a meeting of Directors.

(iii) Questions arising at a meeting shall be decided by a majority of votes.

(iv) In the case of an equality of votes, the Chairman shall have a second or casting vote.

(v) A Director who is also an alternate director shall be entitled in the absence of his appointer to a separate vote on behalf of his appointer in addition to his own vote.

(vi) It shall be necessary to give notice of meetings to Directors who are absent from the United Kingdom provided that such Directors have given to the Company forwarding addresses and despatch of notices to such addresses shall be deemed good and effective notice pursuant to these Regulations.

17. Directors, or if appropriate, their alternates may participate in a meeting of Directors or committee thereof by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other; participating by such means shall be deemed to constitute presence in person and business so transacted shall be as effective for all purposes as a meeting of the Directors duly convened and held with all Directors present.

END.

COMPANIES FORM No. 386

# Notice of passing of resolution removing an auditor

386

Please do not write in this margin

Pursuant to section 386 of the Companies Act 1985

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

To the Registrar of Companies
**(Address overleaf)**

For official use

Company number 309779

Name of company

* insert full name of company

* INTERFACE EUROPE LTD

gives notice that by a resolution passed at a general meeting of the company

on THE 7TH NOVEMBER 1994

§ insert name and address of removed auditor(s)

§ MESSRS BINDER HAMLYN

of 21 QUEEN STREET
LEEDS

Postcode: LS 1 2TW

was removed as auditor before the expiration of his term of office, with effect from

ø delete or complete as appropriate

[the passing of the resolution]ø ✓

[ _____ 19____ ]ø

‡ Insert Director, Secretary, Administrator, Administrative Receiver or Receiver (Scotland) as appropriate

Signed A. Mitchell Designation‡ COMPANY SECRETARY Date 16-11-94.

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

For official Use
General Section | Post room

A05 *ASKJW6FM* 204
COMPANIES HOUSE 17/11/94