

16-9-907

THE COMPANIES ACTS 1948 TO 1976

AND

**THE COMPANIES ACTS 1985 TO 1989
COMPANY LIMITED BY SHARES**

T.E.L. ENGINEERING LIMITED

**MEMORANDUM AND
ARTICLES OF ASSOCIATION**

No. 1341280

Incorporated the 30th November 1977

A1 COMPANY SERVICES LIMITED

788-790 Finchley Road

London NW11 7UR

Telephone:- 0181-458-9637



The Companies Acts 1985 to 1989
Private Company Limited by shares

MEMORANDUM OF ASSOCIATION

OF

T.E.L. ENGINEERING LIMITED

1. The Company's name is "T.E.L. ENGINEERING LIMITED"
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are :
 - (a) (i) To carry on business for the design and manufacture of hazardous area equipment and custom built, special purpose machines; to carry on all or any of the businesses as designers, consultants, developers, constructors, manufacturers and dealers in engineering apparatus, equipment, tools, plant and machinery, electronic and mechanical devices, equipment and apparatus of every description and to carry out and undertake research into, and to import, export, let on hire, or rental any of these items.
 - (ii) To carry on business as light and heavy engineers, mechanical, motor, electrical, oil fuel, constructional, marine, civil, sanitary and consulting engineers, ironmongers, ironmasters, ironfounders, iron workers, steelmakers, blast furnace proprietors, brassfounders and metal makers, refiners and workers generally, shipbuilders, dock and wharf proprietors, colliery proprietors, or importers and workers and sandblast workers, cement and asbestos manufacturers, wood and timber merchants, joiners, woodworkers, heating and ventilating experts, manufacturing chemists, brick and tile manufacturers, welders, enamellers, electro and chromium platers, polishers, painters, warehousemen, storage contractors, garage proprietors and oil merchants and contractors generally, builders, decorators, painters, glaziers and plumbers.

(b) 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 more profitable any of the property or rights of the Company.

(c) To apply for, purchase, register or otherwise acquire and protect and renew, whether in the United Kingdom or elsewhere in any part of the world any patents, patent rights, brevets d'invention, designs, concessions, secret processes, trade marks, licences, and the like and to alter, disclaim, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.

(d) To purchase, take on lease or in exchange, hire or by any other means acquire and take options over any freehold, leasehold or any other real or personal property and any rights or privileges which the Company may think necessary or convenient for the purpose of its business, or may enhance the value of any other property of the Company.

(e) To acquire and undertake the whole or any part of the business, goodwill, assets, property, and liabilities of any person or company carrying on or proposing to carry on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of the Company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.

(f) To acquire an interest in, amalgamate with, or enter into partnership or into any arrangement with sharing profits, co-operation, joint adventure, union of interest or reciprocal concession with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which is capable of being conducted so as directly or indirectly to benefit the Company.

(g) To enter into any arrangements with any governments or authorities supreme, local, municipal, or otherwise, or any company or person that may seem conducive to the attainment of the Company's objects, or any of them, and to obtain from any such government or authority any rights, charters, licences, privileges or concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply therewith.

(h) To draw, make, accept, endorse, discount, execute, negotiate and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.

(i) To invest and deal with the moneys of the Company not immediately required in any manner, and to hold sell or otherwise deal with any investments made.

(j) To subscribe for, take, or otherwise acquire, and hold shares, stock, debentures and other negotiable or transferable instruments.

(k) To establish or promote any other company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company, or for any other purpose which may appear likely to assist or benefit the Company, or for any other value of any property or business of the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any such company.

(l) To advance and lend money or give credit, with or without security to customers and others, to enter into guarantees, contracts or indemnity and suretyships of all kinds, to receive money on deposit or loans and to become security for any persons, firms or companies.

(m) To raise or borrow money in such a manner as the Company shall think fit, and to secure the repayment of any such money raised, borrowed or owing by mortgage, lien, charge or other security upon all or any of the property or assets of the Company (whether present or future) including its uncalled capital, and also by a similar mortgage, lien, charge or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.

(n) To pay out of the funds of the Company all or any expenses which the Company may lawfully pay with respect to the Promotion, formation and incorporation of the Company or to contract with any person firm or company to pay the same and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares, debentures or other securities of the Company.

(o) To remunerate any person, firm or company whether by cash payment or by the allotment of shares, debentures or other securities of the Company credited as paid up in full or in part or otherwise.

(p) To subscribe to or support any charitable object or any institution and to give pensions, bonuses, gratuities or assistance to any person who is serving or has served the Company, whether as a director, employee or otherwise, and his family and dependents; to make payments towards insurance, and to establish, form and contribute to provident, superannuation and other similar funds and trusts, associations, clubs, schools and other institutions for the benefit of any such persons aforesaid.

(q) To distribute among the members of the Company any property of the Company of any kind or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital of the Company be made except with the sanction for the time being required by law.

(r) To procure the Company to be registered or recognised in any part of the world.

(s) To act as agents or brokers and as trustees for any person, firm, or company, and to undertake and perform subcontracts and also to act in any of the businesses of the Company in any part of the world through or by means of agents, subcontractors or others.

(t) To improve, develop, manage, grant rights or privileges in respect of, construct, repair, let on lease or otherwise, exchange, mortgage, charge, dispose of, sell, grant licences in respect of, turn to account, grant options in respect of, or otherwise deal with all or any part of the property and rights of the Company both real and personal.

(u) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any company purchasing the same.

(v) To do all or any of the matters or things aforesaid in any part of the world and to do such matters or things either as principals, agents, contractors or otherwise and by or through agents, contractors, or otherwise and either alone or in conjunction with others.

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

And it is hereby declared that:

(i) The objects specified in each sub-clause shall be regarded as independent objects, and they shall not be limited or restricted, except where otherwise expressed in such sub-clauses, by reference to or inference from the terms of any other sub-clause or the name of the Company, but may be carried out in as full and ample a manner and construed in as wide

a sense as if each of the said sub-clauses defined the objects of a separate and distinct company.

(ii) The word "Company", except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether corporate or unincorporated, and whether incorporated, registered, resident or domiciled in the United Kingdom or elsewhere.

4. The liability of the members is limited.

5. The Company's share capital is £150,000 divided into 500,000 Ordinary Shares of 20p each and 50,000 8.5% Cumulative Redeemable Preference Shares of £1 each.

**THE COMPANIES ACTS 1985 TO 1989
PRIVATE COMPANY LIMITED BY SHARES**

ARTICLES OF ASSOCIATION

OF

T.E.L. ENGINEERING LIMITED

PRELIMINARY

1. (i) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (hereinafter referred to as "Table A"), subject to the additions, exclusions and modifications hereinafter expressed shall constitute the Articles of Association of the Company.

(ii) In these Articles the expression "the Act" means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

SHARE CAPITAL

2. The share capital of the Company is £150,000 divided into 500,000 Ordinary Shares of 20 pence each and 50,000 8.5% Cumulative Redeemable Preference Shares of £1 each having attached thereto the following rights and restrictions:-

(i) The 8.5% Cumulative Redeemable Preference Shares (hereinafter referred to as "the Preference Shares") shall confer the right to fixed cumulative preferential dividend at the rate of 8.5 per cent per annum on the amounts for the time being paid up thereon. The said dividend shall rank for payment in priority to the payment of a dividend on any other shares of the Company and shall be payable (if and so far as, in the opinion of the directors, the profits of the company justify such payment) annually within three months after the counting reference date of the company in respect of the accounting reference period ending on that date.

(ii) The preference shares shall on a winding up or other repayment of capital entitle the holders to have assets of the company available for distribution among the members applied, in priority to any other class of shares, in paying to them *pari passu*:

- (a) the capital paid on such shares;
- (b) the sum equal to any arrears or deficiency of the fixed cumulative dividend on such shares (whether earned or declared or not) calculated down to the date of repayment of capital.

The preference shares shall not confer the right to any further or other participation in the profits or assets of the company.

(iii) The preference shares shall not entitle the holders to receive notice of or attend or vote at any general meeting unless either:-

- (a) at the date of the notice convening the meeting the dividend on the preference shares is more than six months in arrears in which case they shall be entitled to receive notice of and to attend and vote at all general meetings held before the payment of such arrears; or
- (b) the business of the meeting includes the consideration of a resolution for:
 - (i) winding up the company or reducing its share capital or;
 - (ii) the sale or undertaking of the company; or
 - (iii) altering the objects of the company; or
 - (iv) varying or abrogating any of the special rights or privileges attached to the preference shares;

in which case they shall be entitled to vote on any such resolution, but on no other resolution proposed at the meeting.

(iv) Any Preference Shareholder may, subject to the provisions of the Act, at any time after the expiration of a period of five years from the date of the allotment of any such Preference Shares redeem the whole or any part of those Preference Shares upon giving to the Company, not less than three months' notice in writing (hereinafter to be referred to as the "Shareholders Redemption Notice") expiring at any time. The Company shall not be entitled to redeem any Preference Share unless it is a fully paid share.

(v) The Company shall, within twenty-one days of receiving any such Shareholders Redemption Notice, serve upon the shareholders whose shares are to be redeemed, not less than twenty-eight days notice in writing (hereinafter to be referred to as the "Company's Redemption Notice") drawn in pursuance of paragraph (iv) below.

(vi) Any Company's Redemption Notice shall specify the particular shares to be redeemed, the date fixed for such redemption and the place at which the certificates for such shares are to be presented for redemption. At the time and place so fixed, each holder thereof shall be bound to surrender to the Company for cancellation the certificates for his shares which are to be redeemed for cancellation together with a receipt for the monies payable to him upon the redemption of such shares. Upon such surrender the Company shall pay to him the amount due upon redemption. If any certificate so surrendered to the Company shall include any Preference Shares not then to be redeemed, a fresh certificate for those shares shall be issued without charge.

(vii) There shall be paid on each preference share redeemed:

- (i) the amount paid thereon; and
- (ii) a sum equal to any arrears or deficiency of the fixed cumulative dividend on such shares (whether earned or declared or not) calculated down to the date of repayment of capital.

(viii) As from the date fixed for redemption of any preference shares dividend shall cease to accrue on the shares except on any such share in respect of which, upon due presentation of the certificate relating thereto, payment of the money due at such redemption shall be refused.

3. The Directors of the Company may (subject to Articles 4 and 5(i) below and section 80 of the Act) allot, grant options over, or otherwise deal with or dispose of any relevant securities (as defined by section 80(2) of the Act) in the Company on such terms and conditions and in such manner as they think proper.

4. The Directors of the Company are generally and unconditionally authorised during the period of five years from the date of the adoption of these Articles of Association to allot, grant rights to subscribe for or convert securities into shares in relation to the original shares in the authorised share capital of the Company to such persons at such times and on such terms and conditions as they think fit, subject to the provisions of section 80 of the Act.

5. (i) Subject to any direction to the contrary that may be given by Special Resolution by the Company in General Meeting, any shares which do not comprise the original authorised share capital of the Company shall, before they are issued, be offered to the Members in proportion as nearly as possible to the nominal value of the existing shares held by them and such offer shall be made by notice specifying the number of shares to which the Member is entitled and limiting a time within which the offer if not accepted shall be deemed to be declined, and after the expiration of such time or on receipt of an intimation from the Member to whom the notice is given that he declines to accept the shares, the Directors may dispose of the same in such manner as they think most beneficial to the Company. The provisions of this paragraph shall have effect only insofar as they are not inconsistent with section 80 of the Act.

(ii) In accordance with section 91(1) of the Act, section 89(1) and sections 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

LIEN

6. (i) The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The Company shall also have a first and paramount lien on every share (whether or not it is a fully paid share) standing registered in the name of any Member solely or registered in the names of two or more joint holders for all moneys presently payable by him or his estate to the Company. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

(ii) Regulation 8 of Table A shall not apply to the Company.

NOTICE OF GENERAL MEETINGS

7. (i) Regulations 112 and 115 of Table A shall not apply to the Company.

(ii) Every Member is entitled to written notice of every meeting of the Company, at such address as the Member may inform the Directors of from time to time; provided that a notice given to a joint holder whose name stands first in the Register of Members in respect of a jointly held share shall be sufficient to notify those holding jointly with him. A notice shall be deemed to have been received:

(a) when given, if delivered personally;

- (b) on the next business day, if sent by facsimile, telex, or E-Mail;
- (c) after two clear days, if sent by telegram to any properly notified address or if properly addressed and sent within the United Kingdom by pre-paid registered or recorded delivery post;
- (d) after seven clear days, if properly addressed and sent to or from an address outside of the United Kingdom by pre-paid registered or recorded delivery post;

and subject to the above, Regulation 116 of Table A shall be modified accordingly.

(iii) The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at any such meeting. Regulation 39 of Table A shall not apply to the Company.

8. (i) An Annual General Meeting and an Extraordinary General Meeting called for the passing of a Special Resolution shall be called by at least twenty-one clear days' notice. All other Extraordinary General Meetings shall be called by at least fourteen clear days' notice but a General Meeting may be called by shorter notice if it is so agreed-

(a) in the case of an Annual General Meeting, by all of 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 being a majority together holding not less than ninety-five per cent, in nominal value of the shares giving that right.

(ii) The notice shall specify the time and place of the Meeting and in the case of special business only the general nature of the special business to be transacted and, in the case of an Annual General Meeting, shall specify the Meeting as such.

(iii) All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the Directors and Auditors, and the appointment of, and the fixing of the remuneration of the Auditors.

(iv) Subject to the provisions of these Articles and to any restrictions imposed on any shares, all notices of and any other communications relating to any General Meetings of the Company or of separate General Meetings of the holders of any class of share capital of the Company shall be given to all members, to all persons entitled to a share in consequence of the death or bankruptcy of a Member and to the Directors and Auditors of the Company for the time being.

(v) Regulation 38 of Table A shall not apply to the Company.

PROCEEDINGS AT GENERAL MEETINGS

9. (i) No business shall be transacted at any Meeting unless a quorum is present at the time the Meeting proceeds to business. Two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.

(ii) For so long as the Company has only a sole Member, that Member shall constitute a quorum if present in person or by proxy or, if that Member is a corporation, by a duly authorised representative .

(iii) If such a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Directors may determine. If at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, such adjourned Meeting shall be dissolved.

(iv) Regulations 40 and 41 of Table A shall not apply to the Company.

10. (i) For so long as the Company has only a sole Member, any decisions or actions made or taken by that Member which are ordinarily required to be made or taken in General Meeting of the Company or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in General Meeting save that this paragraph shall not apply to resolutions passed pursuant to Sections 303 and 391 of the Act.

(ii) Any decision taken by a sole Member pursuant to paragraph (i) above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.

NUMBER OF DIRECTORS

11. (i) Unless otherwise determined by Ordinary Resolution in General Meeting of the Company the number of Directors (other than Alternate Directors) shall not be subject to any maximum, and the minimum number of Directors shall be one. If and for so long as the number of Directors is be one, a sole Director may exercise all the authorities and powers which are vested in the Directors by Table A and by these Articles. Regulation 89 of Table A shall be modified accordingly.

(ii) Regulation 64 of Table A shall not apply to the Company.

APPOINTMENT OF DIRECTORS

12. The first Directors of the Company shall be as named in the statement delivered to the Registrar of Companies pursuant to section 10 of the Act.

13. No person shall be appointed a Director at any General Meeting unless:

(a) he is recommended by the Directors; or

(b) not less than fourteen nor more than thirty-five clear days before the date appointed for the General Meeting, notice executed by a member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be included in the Register of Directors of the Company together with notice executed by that person of his willingness to be appointed.

14. Subject to Article 13 above, the Company may by Ordinary Resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director.

15. The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.

16. The personal representatives of any person occupying the position of both sole director and sole member of the Company upon his death shall be entitled, on serving notice in writing at the Company's Registered Office, to appoint a person as a Director. Any such appointment shall be deemed for all purposes to be as valid as an appointment made in accordance with the provisions of Article 13 above.

17. The Directors shall not be required to retire by rotation and Regulations 73 to 80 (inclusive) of Table A shall not apply to the Company.

DIRECTORS GRATUITIES AND PENSIONS

18. (i) The powers of the Company set out in Clause 3(p) of the Memorandum of Association may be exercised by the Directors of the Company.

(ii) Regulation 87 of Table A shall not apply to the Company.

PROCEEDINGS OF DIRECTORS

19. (i) A Director may vote as a Director in regard to any contract or arrangement in which he is interested or upon any matter arising therefrom, and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration.

(ii) Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company.

BORROWING POWERS

20. The Directors may exercise all the powers of the Company to borrow without limit as to the amount and upon such terms and in such manner as they think fit.

SECRETARY

21. The Secretary or Joint-Secretary of the Company shall be as named in the statement delivered to the Registrar of Companies pursuant to section 10 of the Act.

THE SEAL

22. (i) The seal, if any, of the Company shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or a second Director. The provisions of Regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company adopts a common seal. Regulation 101 of Table A shall not apply to the Company.

(ii) The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

TRANSFER OF SHARES

23. (i) The Directors shall, subject to Clause 24 in Table A, register the transfer, or as the case may be, transmission of any shares:-

(a) to a member of the family of a Member or deceased Member;

(b) to any person or persons acting in the capacity of trustee or trustees of a trust created by a Member (by deed or will) or, upon any change of a trust so created, to the new trustee or trustees (so that any such transfer as aforesaid shall be registered pursuant to this paragraph only if such shares are to be held upon the terms of the trust) provided that there are no persons beneficially interested under the trust other than the Member and members of his family and the voting rights conferred by any such shares are not exercisable by or subject to the consent of any person other than the trustee or trustees of the trust or the Member or members of his family and also the Directors are satisfied that the trust is and is intended to remain a trust the sole purpose of which is to benefit the Member or members of his family;

(c) by the trustee or trustees of a trust to which sub-paragraph (b) above applies to any person beneficially interested under the trust being the Member or a member of his family;

(d) to the legal personal representatives of a deceased Member where under the provisions of his will or the laws as to intestacy the persons beneficially entitled to any such shares, whether immediately or contingently, are members of the family of the deceased Member and by the legal representatives of a deceased Member to a member or members of the family of the deceased Member;

(e) to any other Member of the Company.

(ii) For the purpose of this Article:

(a) The word "Member" shall not include a person who holds shares only in the capacity of trustee, legal personal representative or trustee in bankruptcy but shall include a former Member in any case where the person concerned ceased to be a Member as a result of the creation of the relevant trust; and

(b) the words "a member of the family of a Member" shall mean the husband, wife, widow, widower, child and remoter issue (including a child by adoption), parent (including adoptive parent), brother and sister (whether by the full or half blood and a brother or sister related by adoption), and child and remoter issue of any such brother or sister (including a child by adoption), of the Member.

(iii) The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer or transmission of a share (whether or not it is fully paid) to which paragraph (i) above does not apply.

(iv) Clause 24 in Table A shall be modified accordingly.

INDEMNITY

24. (i) Every Director or other officer or Auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal in which

judgement is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

(ii) The provisions of paragraph (i) above of this Article shall not have effect in any proceedings resulting in a breach of the provisions of Section 310 of the Act.

(iii) Regulation 118 of Table A shall not apply to the Company.