

No. 1480813

WESTEX (CARPETS) LIMITED

SPECIAL RESOLUTION

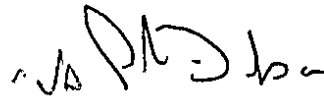
(Passed at an Extraordinary General Meeting  
of the Company duly convened and held  
on the 12<sup>th</sup> day of September 1991)

"That the Articles of Association of the Company be amended by inserting the following new Article immediately after Article 16:

16. A. ASSOCIATE DIRECTORS

- (a) The Directors may at any time and from time to time appoint any person (not being a Director of the Company) as an Associate Director
- (b) An Associate Director shall advise and assist the Directors and shall only attend such meetings of the Board of Directors as the Directors shall invite him to attend and when present at the Board meeting he shall only take such part as he may be invited to take and he shall not be entitled to vote nor be counted in the quorum of the Board meeting
- (c) An Associate Director shall not be or deemed to be a member of the Board of Directors nor any committee thereof nor shall he be a Director for any of the purposes of these Articles of Association or (so far as provision may lawfully be made in this behalf) for any of the purposes of the Companies Act 1985 and shall not by virtue of his appointment as such be entitled to exercise any powers in relation to the business or the affairs of the Company beyond those (if any) which may be expressly conferred upon him by the Directors at the time of his appointment or from time to time thereafter
- (d) Without prejudice to any rights or claims the Associate Director may have under any contract with the Company any appointment as an Associate Director may be terminated by the Directors at any time and shall ipso facto terminate if the Associate Director shall for any cause cease to be an employee of the Company

- (e) An Associate Director shall not on any letter or other document which he is authorised to sign on behalf of the Company describe himself as a Director but may describe himself as an Associate Director
- (f) An Associate Director may receive such remuneration (if any) in addition to the remuneration received as an employee of the Company as the Directors shall from time to time determine. Any such remuneration may be made payable by way of fees salary commission or participation in profits or by any or all of these modes or otherwise as may be thought expedient."



DIRECTOR

No. of Company: 1480813

The Companies Acts 1948 to 1976

COMPANY LIMITED BY SHARES

M E M O R A N D U M

and

A R T I C L E S    O F    A S S O C I A T I O N

of

WESTEX (CARPETS) LIMITED

Eaton Smith & Downey

Britannia Buildings

St. Peter's Street

Huddersfield · HD1 1BB

Tel: 0484 537433 · Fax: 0484 545060

THE COMPANIES ACTS 1948 to 1976

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION OF

WESTEX (CARPETS) LIMITED

(Incorporated the 21st February 1980)

1. The name of the Company is "WESTEX (CARPETS) LIMITED" .
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established are:-
  - (a) To carry on all or any of the businesses of retailers, merchants, wholesalers, manufacturers, designers, repairers, fitters, layers, distributors, agents for the sale of and dealers in carpet yarns, fibres and materials for making floor coverings, carpets, rugs, tiles, linoleum, floorings and floor coverings of every description, and of, and in soft furnishings, upholstery, bedding, hardware and household furniture, fittings, appliances and utensils of all kinds, textiles, fabrics, rubbers, chemicals, compositions and substances required for use in connection with the manufacture thereof, floor laying specialists and designers, house furnishers, removers, manufacturers and merchants of, and wholesale and retail dealers on the hire purchase system or otherwise in drapery, curtains, blinds, table and other linen, cutlery, electroplated goods, jewellery, watches, clocks, ironmongery, chinaware, brassware, crockery, pottery, curios of all kinds, electrical equipment, radio and television sets and accessories of every description, packers, storers, warehousemen and distributors of furniture and other goods, furniture depository proprietors, haulage contractors, general carriers, railway and forwarding agents, joiners, carpenters, cabinet makers, painters, enamellers, decorators, cellulose sprayers, varnishers, french polishers, gas fitters, electricians, lamp dealers, and electrical, gas, hot water and sanitary engineers and contractors, general merchants and traders; and to buy, sell, manufacture, import, export, repair, convert, alter, let on hire and otherwise deal in all plant, machinery, utensils, accessories, tools appliances, apparatus, fabrics, produce, substances, materials and things capable of being dealt with in connection with the before-mentioned businesses, or any of them, or which may be required by customers of, or persons having dealings, with the Company.

b) To carry on any other trade or business whatever which can in the opinion of the Board or Directors be advantageously carried on in connection with or ancillary to any of the business of the Company.

c) To purchase or by any other means acquire and take options over any property whatever, and any right or privileges of any kind over or in respect of any property.

d) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, 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 and improving any patents, inventions or rights which the Company may acquire or propose to acquire.

e) To acquire and undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any Shares, Debentures, Debenture Stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

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

g) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

h) To lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including any parent, subsidiary or fellow subsidiary company in such manner as the Company may think fit.

i) To borrow and raise money in such manner as the Company shall think fit and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien 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.

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

k) To apply for, promote, and obtain any Act of Parliament, Provisional Order, or Licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

l) To enter into any arrangements with any Government or authority (supreme, municipal, local, or otherwise) 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 charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.

m) To subscribe for, take, purchase, or otherwise acquire and hold shares or other interests in or securities of any other company having objects altogether or in part similar to those of the Company or carrying on any business capable of being carried on so as directly or indirectly to benefit the Company or enhance the value of any of its property and to co-ordinate, finance and manage the businesses and operations of any company in which the Company holds any such interest.

n) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.

o) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of Shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.

p) To pay all or any expenses incurred in connection with 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 or other securities of the Company.

d) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been Directors of, or who are or have been employed by, or who are serving or have served the Company, or of any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or of the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.

e) To promote any other company for the purpose of acquiring the whole or any part of the business or property and undertaking any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the 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 or securities of any such company as aforesaid.

f) 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.

g) To distribute among the Members of the Company in kind any property of the Company of whatever nature.

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

i) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

j) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

The objects set forth in each sub-clause of this Clause shall not be restrictively construed but the widest interpretation shall be given

thereto, and they shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause or from the terms of any other sub-clause or from the name of the Company. None of such sub-clauses or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the Company shall have as full a power to exercise all or any of the objects conferred by and provided in each of the said sub-clauses as if each sub-clause contained the objects of a separate company. The word "company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

4. The liability of the Members is limited.

5. The Share Capital of the Company is £100 divided into 100 Shares of £1 each \*

\* By Special Resolution dated the 1st day of September 1989 the 100 issued Ordinary Shares in the capital of the Company were converted into 100 'B' Ordinary Shares of £1 each

By Ordinary Resolution dated the 1st day of September 1989 the authorised share capital of the Company was increased from £100 divided into 100 'B' Ordinary Shares of £1 each to £10,000 divided into:-

- (a) 100 'A' Ordinary Shares of £1 each and
- (b) 9,800 'B' Ordinary Shares of £1 each to rank upon issue pari passu with the existing 'B' Ordinary Shares of the Company

By Special Resolution dated the 1st day of September 1989 it was resolved that the holders of the said 'A' Ordinary Shares:

- (a) shall not be entitled to receive any dividend
- (b) on a winding up or repayment of capital and after the repayment of the capital paid up on these shares shall not be entitled to any further or other participation in the profits or assets of the Company

It was further resolved that conditional upon the issue of the said 'A' Ordinary Shares the holders of the said 'B' Ordinary Shares shall not be entitled to receive notice of or to attend and vote at any general meeting of the Company.



WE, the several persons whose names, addresses and descriptions 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
--	---

Michael Richard Counsell,  
15, Pembroke Road,  
Bristol. BS99 7DX  
Commercial Manager.

- One

Christopher Charles Hadler,  
15, Pembroke Road  
Bristol. BS99 7DX  
Commercial Manager.

- One

Dated this 4th day of February, 1980.

Witness to the above Signatures:- Dawn Bennett,  
15, Pembroke Road  
Bristol. BS99 7DX  
Clerk.

# THE COMPANIES ACTS 1948 to 1976

## COMPANY LIMITED BY SHARES

### ARTICLES OF ASSOCIATION OF

#### D.T. YARNS LIMITED

##### PRELIMINARY

1. The Regulations contained or incorporated in Parts I and II of Table A in the First Schedule to the Companies Act 1948 (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.

##### FIRST DIRECTORS

1. a) Clause 75 in Part I of Table A shall not apply to the Company.

b) The number of the Directors shall be determined by the Company in General Meeting. In the event of the minimum number of Directors fixed by or pursuant to these Articles or Table A being one, a sole Director shall have authority to exercise all the powers and discretions by Table A or these Articles expressed to be vested in the Directors generally.

c) Every Director shall be a Permanent Director of the Company not subject to retirement by rotation unless the instrument of appointment provides otherwise. A Permanent Director shall, subject to the provisions of Clause 88 in Part I of Table A as amended by Article 15 and subject to Section 28 of the Companies Act 1976 be entitled to hold office so long as he shall live unless he shall be removed from office under Clause 96 in Part I of Table A; and accordingly Clauses 89 to 94 in Part I of Table A shall not apply to any Permanent Director.

## SHARES

3. The Shares shall be under the control of the Directors, who may allot and dispose of or grant options over the same to such persons, on such terms, and in such manner as they think fit.

4. The lien conferred by Clause 11 in Part 1 of Table A shall attach also to fully paid-up Shares and to all Shares registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders.

5. The power of the Directors to make calls conferred by Clause 15 in Part 1 of Table A shall be modified by deleting from such Clause the words "provided that no Call shall exceed one-fourth of the nominal value of the Share or be payable at less than one month from the date fixed for the payment of the last preceding Call".

6. A transfer of a fully paid Share need not be executed by or on behalf of the transferee; and Clause 22 in Part 1 of Table A shall be modified accordingly.

7. The liability of any Member in default in respect of a Call shall be increased by the addition at the end of Clause 33 in Part 1 of Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

7A Subject to the provisions of Part V Chapter VII of the Companies Act 1985 the Company may:

- (a) issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder;
- (b) purchase its own shares (including any redeemable shares);
- (c) make a payment in respect of the redemption or purchase, under Sections 159, 160 and 161 or (as the case may be) Section 162 of the Companies Act 1985 and the relevant power (a) or (b) above, of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by Sections 170, 171 and 172 of the Companies Act 1985.

#### GENERAL MEETINGS AND RESOLUTIONS

8. Every notice convening a General Meeting shall comply with the provisions of Section 136 (2) of the Companies Act 1948 as to giving information to Members in regard to their rights to appoint proxies; and notices of and other communications relating to any General Meeting which any member is entitled to receive shall be sent to the Auditor for the time being of the Company.

9. Clause 54 in Part 1 of Table A shall be read and construed as if the words "Meeting shall be dissolved" were substituted for the words "Members present shall be a quorum".

10. A resolution in writing pursuant to Clause 5 in Part 11 of Table A may consist of two or more documents in like form each signed by one or more of the Members in such Clause referred to; and the said Clause 5 shall be modified accordingly

## DIRECTORS

11. A Director may at any time appoint any other person (being a Director or person approved for that purpose by the Directors) to act as Alternate Director at any Meeting of the Board at which the Director is not present, and may at any time revoke any such appointment. An Alternate Director so appointed shall not be entitled as such to receive any remuneration from the Company, but shall otherwise be subject to the provisions of Table A and to these presents with regard to Directors. An Alternate Director shall 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, and generally to perform all the functions, rights, powers and duties of the Director by whom he was appointed. An Alternate Director shall ipso facto cease to be an Alternate Director if his appointer ceases for any reason to be a Director. Provided that if a Director retires by rotation and is re-elected by the Meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired. Where a Director who has been appointed to be an Alternate Director is present at a Meeting of the Board in the absence of his appointer such Alternate Director shall have one vote for each appointer whom he represents in addition to his vote as Director. Every appointment and revocation of appointment of an Alternate Director shall be made by instrument in writing under the hand of the Director making or revoking such appointment and such instrument shall only take effect on the service thereof at the registered office of the Company. The remuneration of any such Alternate Director shall be payable out of the remuneration payable to the Director appointing him and shall consist of such portion of the last mentioned remuneration as shall be agreed between the Alternate Director and the Director appointing him.

12. A Director 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 reckoned in estimating a quorum when any such contract or arrangement is under consideration; and Clause 34 in Part I of Table A shall be modified accordingly.

13. (a) The Directors may exercise the powers of the Company conferred by Clause 3 (q) of the Memorandum and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

14. Accordingly, Clause 87 in Part I of Table A shall not apply to the Company.

(c) / d)

15. It shall not be necessary for Directors to sign their names in the Minute Book; and Clause 86 in Part I of Table A shall be modified accordingly.

15. Clause 88 in Part 1 of Table A shall be read and construed as if the words "becomes incapable by reason of mental disorder of managing and administering his property and affairs" were substituted for the words "becomes of unsound mind".

16. A resolution in writing pursuant to Clause 106 in Part 1 of Table A may consist of two or more documents in like form each signed by one or more of the Directors in such Clause referred to and the said Clause 106 shall be modified accordingly.

16. A. ASSOCIATE DIRECTORS

- (a) The Directors may at any time and from time to time appoint any person (not being a Director of the Company) as an Associate Director
- (b) An Associate Director shall advise and assist the Directors and shall only attend such meetings of the Board of Directors as the Directors shall invite him to attend and when present at the Board meeting he shall only take such part as he may be invited to take and he shall not be entitled to vote nor be counted in the quorum of the Board meeting
- (c) An Associate Director shall not be or deemed to be a member of the Board of Directors nor any committee thereof nor shall he be a Director for any of the purposes of these Articles of Association or (so far as provision may lawfully be made in this behalf) for any of the purposes of the Companies Act 1985 and shall not by virtue of his appointment as such be entitled to exercise any powers in relation to the business or the affairs of the Company beyond those (if any) which may be expressly conferred upon him by the Directors at the time of his appointment or from time to time thereafter
- (d) Without prejudice to any rights or claims the Associate Director may have under any contract with the Company any appointment as an Associate Director may be terminated by the Directors at any time and shall ipso facto terminate if the Associate Director shall for any cause cease to be an employee of the Company
- (e) An Associate Director shall not on any letter or other document which he is authorised to sign on behalf of the Company describe himself as a Director but may describe himself as an Associate Director
- (f) An Associate Director may receive such remuneration (if any) in addition to the remuneration received as an employee of the Company as the Directors shall from time to time determine. Any such remuneration may be made payable by way of fees salary commission or participation in profits or by any or all of these modes or otherwise as may be thought expedient.

## BORROWING POWERS

17. (a) The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and to grant any mortgage charge or Standard Security over its undertaking, property and uncalled capital, or any part thereof, and to issue Debentures, Debenture Stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

(b) Accordingly, Clause 79 in Part 1 of Table A shall not apply to the Company.

## ACCOUNTS

18. The accounts and other documents to be prepared by the Directors under Clause 126 in Part 1 of Table A shall be prepared in accordance with Sections 148, 150 and 157 of the Companies Act 1948 as amended by Sections 16 to 22 inclusive of the Companies Act 1967 and as further amended by Part 1 of the Companies Act 1976.

## INDEMNITY

19. (a) Every Director or other officer 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 judgment is given in his favour or in which he is acquitted or in connection with any application under Section 448 of the Companies Act 1948, in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 205 of the Companies Act 1948.

(b) Accordingly, Clause 136 in Part 1 of table A shall not apply to the Company

## SHARE TRANSFERS

20. (a) The Directors shall, subject to paragraph (a) of Article 21, register the transfer of any 'B' Share:-

(i) to a member of the family of a Member or deceased Member of the Company. For the purposes of this Article the family means:-

Husband, wife, widower and widow;  
Children and remoter issue (including children by adoption);  
Parent (including adoptive parent);  
Brother and sister (whether of the full or half blood and including brothers and sisters related by adoption);  
Children and remoter issue of such brother or sister (including adopted children);

(ii) 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 trustees of a Trust so created, to the new trustee or trustees. Provided that no such transfer shall be registered unless (a) all the persons beneficially interested under the Trust are members of the family of a Member of the Company and (b) the Directors are satisfied on all the information submitted to them that the Trust is and is intended to remain a trust the sole purpose of which is to benefit members of the family of a Member of the Company;

(iii) to any beneficiary or beneficiaries being a member or members of the family of a deceased Member by his personal representatives or by the trustees of any Trust created by a Member (by deed or will); and the Directors shall, subject to paragraph (a) of Article 21, register as members the legal personal representatives of a deceased Member where under the provisions of the Will or the laws as to intestacy the persons beneficially entitled to the Shares registered in the names of such deceased Member, whether immediately or contingently, are persons to whom a transfer may be made under the provisions of paragraph (i) or (ii) hereof;

(iv) to any other Member of the Company.

20. (B) The Directors may in their absolute discretion and without assigning any reason therefore decline to register any transfer of any 'A' Share or subject to the provisions of the preceding Article 20(A) any 'B' Share whether or not the same is a fully paid share

21. (a) Notwithstanding the provisions of Article 20 and the succeeding provisions of this Article 21 the Directors may decline to register any transfer:-

(i) of any Share on which the Company has a lien;

(ii) of a Share (not being a fully paid Share) to a person of whom they do not approve;

(iii) of a Share (whether or not it is fully paid) made pursuant to paragraph (g) hereof;



(v) the registration of which would cause the number of Members to exceed the maximum permitted by Clause 2 in Part II of Table A.

Clause 3 in Part I of Table A shall not apply (save as mentioned in paragraph (g) of this Article).

b) Save where a transfer is made pursuant to Article 20 hereof, any person hereinafter referred to as "the proposing transferor" proposing to transfer any Shares shall give notice in writing hereinafter called "the transfer notice") to the Company that he desires to transfer the same and specifying the sum which in his opinion constitutes the fair value thereof. A transfer notice shall, on receipt by the Company, constitute the Company the agent of the proposing transferor for the sale of all (but not some of) the Shares referred to therein at the price specified therein, or at such lower price as may be determined in accordance with paragraph (d) hereof. A transfer notice shall not be revocable except with the sanction of the Directors.

(c) The Share included in any transfer notice shall be offered by notice in writing (hereinafter called "the option notice") not later than the seventh day after receipt by the Company of the transfer notice in the first place to the Members (other than the proposing transferor) as nearly as may be in proportion to the Shares held by them respectively. The option notice shall in each case specify the date of receipt by the Company of the transfer notice and the price specified therein, and shall invite each Member to state in his reply how many (if any) Shares in excess of his proportion he desires to purchase. The option notice shall further limit the time in which the offer may be accepted (not being less than twenty-one days from either the date of the option notice or the date of the certificate of valuation under paragraph (d) hereof whichever is the longer) and if any Member does not before expiry of such limit claim by notice in writing the Shares offered to him they shall be used to satisfy the claims for excess shares in proportion to the existing Shares held by the claimants respectively but so that no such claimant shall be bound to take more excess Shares than he shall have applied for. If any Shares shall not be capable without fractions of being offered to the Members in proportion to their existing holdings, the same shall be offered to the Members, or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto, and the lots shall be drawn in such manner as the Directors may think fit. Any Member who desires as above to purchase any Shares included in a transfer notice is hereinafter called "the purchaser".

d) If an intending purchaser considers that the price specified in the transfer notice is in excess of the fair value of the Shares included therein he shall not later than the seventh day after receipt of the option notice request in writing that the Auditor for the time being of the Company (or, at the discretion of the Auditor, a person nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales, or the President of the Institute of Chartered Accountants in Scotland in accordance with the situation of the Registered Office of the Company) certify in writing the sum which in his opinion is the fair value of the Shares

included in the transfer notice as at the date of the transfer notice in accordance with these presents and for the purpose of this Article reference to the Auditor shall include any person so nominated. All costs in making such valuation shall be apportioned among the proposing transferor and the purchasers or borne by any one or more of them, as the Auditor shall decide. In certifying the fair value of the Shares the Auditor shall be considered to be acting as an expert and not as an arbiter or arbitrator and accordingly any provisions of law or statute relating to arbitration shall not apply.

(e) If purchasers shall be found for all the Shares included in any transfer notice, the Company shall within seven days after the later of the acceptance date specified in the option notice and the date of the certificate of valuation given under paragraph (d) of this Article give notice (hereinafter called "the sale notice") to the proposing transferor specifying the purchasers of such Shares and the proposing transferor shall upon payment of the price specified in the transfer notice or the fair value determined as aforesaid (whichever is the lower) transfer the Shares to the purchasers, and the Directors shall register any transfer pursuant to this paragraph.

(f) If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any Shares included in a transfer notice the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such Shares in favour of the purchaser, who shall thereupon be registered as the holder thereof. The receipt of the Company for the purchase money shall be a good discharge to the purchaser.

(g) If the Company shall not give a sale notice to the proposing transferor he shall, not later than the thirtieth day after the expiry of the time allowed for giving a sale notice, be at liberty to sell and transfer all or any of the Shares included in the transfer notice to any person and at any price and the proposing transferor shall not be required to give a transfer notice in respect thereof during the said period of 30 days. Provided that the Directors shall have the powers conferred by Clause 3 in Part II of Table A to decline to register any transfer so made.

Whenever any Member of the Company (other than a Director) who is employed by the Company in any capacity is dismissed from such employment or ceases to be employed by the Company the Directors may at any time not later than twenty-eight days after his dismissal or his ceasing to be employed resolve that such Member do retire, and thereupon he shall (unless he has already served a transfer notice) be deemed to have served a transfer notice pursuant to paragraph (b) of this Article and to have specified therein the fair value to be certified in accordance with paragraph (d) of this Article. Notice of the passing of any such resolution shall forthwith be given to the Member affected thereby.

In any case where any Shares are held by trustees of a Trust following a transfer or transfers made pursuant to paragraph (ii) of Article 20 and it shall come to the notice of the Directors that a person beneficially interested under the Trust is not a member of the family of a member of the Company, the Directors may at any

time within twenty-eight days after the existence of such beneficial interest shall have come to their notice resolve that such trustees do transfer such Shares, and thereupon they shall (unless they have already served a transfer notice) be deemed to have served a transfer notice pursuant to paragraph (b) of this Article and to have specified therein the fair value to be certified in accordance with paragraph (d) of this Article. Notice of the passing of any such resolution shall forthwith be given to the said trustees.