

No.3580800

WE HEREBY CERTIFY THAT THIS IS A TRUE
AND CORRECT COPY OF THE ORIGINAL DATED
THIS 21 DAY OF Dec 2000
Teacher Stern Selby - Solicitors
37/41 Bedford Row, London WC1R 4JH

THE COMPANIES ACT 1985

WRITTEN RESOLUTION Of SHOPFITTINGS DIRECT LIMITED

WRITTEN RESOLUTION DATED 16 Nov 2000
PURSUANT TO ARTICLE 7.3 OF THE ARTICLES
OF ASSOCIATION OF THE COMPANY

WE, the undersigned, being all members of the Company who would on the above-stated date be entitled to attend and vote at a general meeting of the Company, HEREBY AGREE AND RESOLVE AS A SPECIAL RESOLUTION :

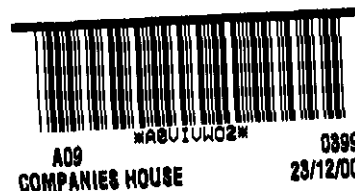
THAT the regulations contained in the document of which a copy is attached to this resolution be adopted as the Articles of Association of the Company in substitution for and to the exclusion of it's existing Articles of Association.

Name of Shareholder

Signature

PAUL BROOKS
David Brooks

Paul Brooks
David Brooks



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Name of Shareholder

Signature

MRS KIM MENDOZA



MRS PAULINE CRAZE



THE COMPANIES ACTS 1985 to 1989

SHOPFITTINGS DIRECT LIMITED

(Company No. 3580800)

ARTICLES OF ASSOCIATION

(Adopted on 16 Nov 2000)

Interpretation

1. In these Articles, if not inconsistent with the subject or context:

‘Act’ means the Companies Act 1985 as amended or re-enacted from time to time; and

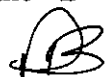
‘Table A’ means Table A in the Schedule to the Companies (Tables A-F) Regulations 1985.

Table A

- 2.1 The regulations contained in Table A apply to the Company except in so far as they are excluded by or are inconsistent with these Articles.
- 2.2 Regulations 3, 8, 24, 26, 41, 46, 48, 50, 64, 73 to 80 (inclusive), 81(e), 82, 94 to 98 (inclusive) 112 and 118 of Table A shall not apply to the Company.
- 2.3 The Company is a private company and accordingly no offer or invitation shall be made to the public (whether for cash or otherwise) to subscribe for any shares in or debentures of the Company nor shall the Company allot or agree to allot (whether for cash or otherwise) any shares or debentures being offered for sale to the public.

Shares

- 3.1 The authorised share capital of the Company at the date of the adoption of these Articles consists of £1,000 divided into 1,900 "A" Ordinary shares of £0.10 each ("A" Shares"), 100 "B" Ordinary shares of £0.10 each ("B" Shares") and 8,000 unclassified shares of £0.10 each. Save as provided in these Articles the "A" Shares and the "B" Shares shall rank pari passu in all respects.
- 3.2 The "A" Shares and the "B" Shares shall rank pari passu in all respects and shall have and enjoy the same rights save that as regards income, the holders of the "B" Shares shall be entitled to receive 5% of the audited net post-tax profits of the Company lawfully available for distribution in any accounting period of the Company which shall be distributed by way of dividend (or such other method of payment as may be agreed from time to time by the Shareholders in writing) to the holders of the "B"



Paul Steady
David Bay

Shares within 30 days of the audited accounts for the relevant accounting period being signed off by the directors and approved by the Shareholders in general meeting.

- 3.3 Subject to the provisions of section 80 of the Act, the directors are unconditionally authorised to exercise the power of the Company generally to allot relevant securities (as defined in section 80(2) of the Act) of the Company to such persons, at such times and for such consideration and upon such terms and conditions as they may think fit, provided that:-

3.3.1 this authority shall expire five years from the date of adoption of these Articles, save that the Company may make an offer or agreement before the expiry of this authority which would or might require relevant securities to be allotted after such expiry; and

3.3.2 the maximum amount of relevant securities which the directors may allot under this authority shall be the aggregate nominal amount of unissued shares in the Company at the date of adoption of these Articles.

- 3.4 The provisions of section 89(1) and section 90(1) to (6) inclusive of the Act shall not apply to the Company.

- 3.5 Subject to the provisions of these Articles, all unissued shares shall be at the disposal of the directors, and they may allot, grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think fit.

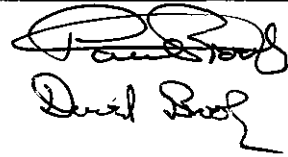
- 3.7 Any shares allotted to a member shall, before allotment, be designated as the same class as the shares already held by him.

Lien

4. The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on all shares registered in the name of any person (whether solely or jointly with others) for all moneys owing to the Company from him or his estate either alone or jointly with any other person, whether as a member or not and whether such moneys are presently payable or not. The directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.

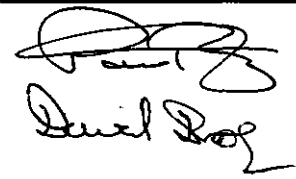
Transfer of shares

- 5.1 Save as otherwise agreed in writing from time to time by all the Shareholders of the Company (including without limitation, as agreed between them in any written shareholders agreement entered into by them) the following provisions of this Article 5 shall govern the transfer of shares.
- 5.2 No share or beneficial ownership of a share shall be transferred (otherwise than to the Company under Regulation 35 of Table A) until the rights of pre-emption hereinafter



conferred have been exhausted. Any obligation to transfer a share pursuant to this Article is an obligation to transfer the entire legal and beneficial interest in such share.

- 5.3 A member who intends to transfer any share or any interest therein (including for this purpose the assignment of the beneficial interest in, or the creation of any charge or other security interest over, such share or the renunciation or assignment of any right to receive or subscribe for such share) (the "Seller") shall give notice (the "Transfer Notice") to the directors of his intention and the particulars of the shares (the "Transfer Shares") together with the price per share at which he is willing to sell (the "Specified Price"). A Transfer Notice once received by the directors is irrevocable unless Articles 5.5 and 5.9 apply.
- 5.4 The Transfer Notice shall constitute the Company as agent of the Seller for the sale of the Transfer Shares to the members other than the Seller (the "Offerees") at the Specified Price save that if the directors do not accept that the Specified Price constitutes a fair price they shall instruct the Auditors of the Company (who shall act as experts and not as arbitrators so that any provision of law or statute relating to arbitration shall not apply) to certify in writing ("Certificate of Value") the value of the Transfer Shares at arms length on the open market taking no account of whether the Transfer Shares form part of a majority or minority shareholding. The Auditors' decision on the value of the Transfer Shares at arms length on the open market taking no account of whether the Transfer Shares form part of a majority or minority shareholding is within the Auditors' complete discretion and their certification shall be final and binding on the members. The Specified Price in the Transfer Notice shall be substituted by the price in the Certificate of Value. The Company upon receipt of the Certificate of Value shall forthwith furnish a copy thereof to the Seller. The Seller and the Company shall bear the cost of the valuation in such proportion as the Auditors of the Company determine in their absolute discretion.
- 5.5 If upon receipt of the Certificate of Value the Seller considers that the price decided upon by the Auditors of the Company is not a reasonable one he shall be entitled to revoke the Transfer Notice within 7 days of receipt of the Certificate of Value by written notice to the directors ("the First Revocation Period"). Thereafter the Transfer Shares will not be offered by the directors to the Offerees or by the Seller to any other person or persons unless at a later date the Seller serves another Transfer Notice in respect of the Transfer Shares in which event all the provisions of this Article shall apply.
- 5.6 If the Seller has not revoked the Transfer Notice upon expiry of the First Revocation Period the price (whether by reference to the Specified Price or the Certificate of Value) shall be fixed in the Transfer Notice as the final price ("the Final Price") and the directors shall by notice in writing ("the Offer Notice") inform the Offerees of the number and price of the Transfer Shares and shall invite the Offerees to apply in writing to the Company, within 21 days of the date of despatch of the Offer Notice (which date must be stated therein), for a maximum number of the Transfer Shares.
- 5.7 If such Offerees within the period of 21 days stated in the Offer Notice apply for all or any of the Transfer Shares the directors will allocate the Transfer Shares applied for to the applicant Offerees in such proportions (or as nearly as may be and without



increasing the number sold to an Offeree beyond the number applied for by him) as their existing holdings bear to the total of the holdings of the applicant Offerees. The Transfer Shares not capable of being allocated without involving fractions shall be allocated to the applicant Offerees in such proportion as the directors think fit. Any outstanding Transfer Shares may then be allocated in such manner as the directors think fit to those Offerees who applied for such Transfer Shares provided no Offeree shall be allocated shares in excess of the number of shares applied for by him.

5.8 If upon expiry of the 21 day period specified in the Offer Notice the directors shall have received applications for some but not all of the remaining Transfer Shares the directors may nominate within 14 days from the expiry of the Offer Notice a person or persons which may (subject to the Act) be the Company to whom the Transfer Shares not applied for will be allocated. The directors shall give notice in writing (the "Allocation Notice") of such allocations pursuant to Article 5.8 and this Article to the Seller and to the persons to whom the Transfer Shares have been allocated. The Allocation Notice must specify the date of despatch of the Allocation Notice, the name and address of the persons to whom the allocations have been made, the price and method of payment and number of Transfer Shares to be allocated and the place and time for completion (which shall be 21 days from the date of despatch) and that the Allocation Notice is subject to the Seller's right of revocation pursuant to Article 5.9.

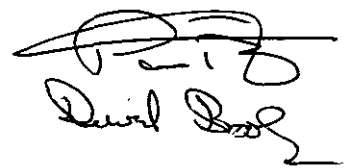
5.9 The Seller may revoke the Transfer Notice if after service of the Allocation Notice not all the Transfer Shares have been taken up. Notice must be given in writing by the Seller to the Company within 14 days of the date of the Allocation Notice (the "Second Revocation Period").

If the Seller has not revoked the Transfer Notice upon expiry of the Second Revocation Period the Seller shall be bound upon payment of the purchase price due in respect thereof to transfer the shares comprised in the Allocation Notice to the person or persons (which may be the Company subject to the Act) named therein on the day and at the time specified therein.

5.10 In the event that the Seller fails or refuses to transfer the Transfer Shares having become bound so to do the Company may receive the purchase price in trust for the Seller and may authorise some person to execute a transfer of the Transfer Shares in favour of the purchasers.

5.11 During the 3 months following the expiry of 56 days from the date of the Offer Notice the Seller may (subject nevertheless to the provisions of Article 5.13) transfer to any person and at any price but not less than the Final Price fixed in the Transfer Notice any of the shares comprised therein not included in the Allocation Notice or all but not part of the Transfer Shares comprised in the Transfer Notice if the Seller has revoked the Transfer Notice under Article 5.9.

5.12 Any "A" Share transferred to a holder of a "B" Share shall be deemed to be redesignated as a "B" Share and any "B" Share transferred to a holder of an "A" Share shall be deemed to be redesignated as an "A" Share unless, following such redesignation, all the issued shares would be only of one class.



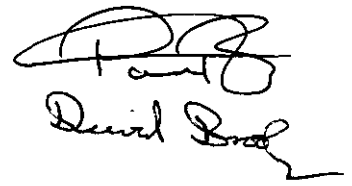
- 5.13 The directors may in their absolute discretion and without assigning any reason therefor decline to register the transfer of a share whether or not it is a fully paid share.

Transmission of shares

- 6.1 Regulations 29, 30 and 31 of Table A shall not apply to the Company.
- 6.2 If a member dies or becomes bankrupt a Transfer Notice shall be deemed to have been immediately served on his behalf by his personal representatives on the directors of the Company. The price of the Transfer Shares shall be determined by the Auditors of the Company (who shall act as experts and not as arbitrators so that any provision of law or statute relating to arbitration shall not apply) who shall certify in writing ("Certificate of Value") the value of the Transfer Shares at arms length on the open market taking no account of whether the Transfer Shares form part of a majority or minority shareholding. The Auditors' decision on the value of the Transfer Shares at arms length on the open market taking no account of whether the Transfer Shares form part of a majority or minority shareholding is within the Auditors' complete discretion and their certification shall be final and binding on the members.
- 6.3 The directors shall by notice in writing ("the Offer Notice") inform the Offerees of the number and price of the Transfer Shares and shall invite the Offerees to apply in writing to the Company, within 21 days of the date of despatch of the Offer Notice (which date must be stated therein), for a maximum number of the Transfer Shares.
- 6.4 A deceased or bankrupt member's shares shall be transferred pursuant to Articles 5.1, 5.2, 5.7, 5.8 (save that the words "and that the Allocation Notice is subject to the Seller's right of revocation pursuant to Article 5.9" shall be omitted), 5.10, 5.11 (save that the words "or all but not part of the Transfer Shares comprised in the Transfer Notice if the Seller has revoked the Transfer Notice under Article 5.9" shall be omitted) and 5.12.

Proceedings at general meetings

- 7.1 In every notice convening a general meeting of the Company there shall appear a statement that a member entitled to attend and vote is entitled to appoint a proxy and the proxy need not be a member of the Company and Regulation 38 of Table A shall be modified accordingly.
- 7.2.1 If the quorum prescribed by Regulation 40 of Table A is not present within 30 minutes 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.
- 7.2.2 If at the adjourned meeting a quorum is not present within 30 minutes of the time appointed for the meeting one person entitled under Regulation 40 of Table A to be counted in a quorum present at the meeting shall constitute a quorum.



- 7.2.3 A resolution put to the vote of a 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 is duly demanded.
- 7.2.4 A poll may be demanded by the chairman or by a member (present in person or by proxy) having the right to attend and vote at the meeting.
- 7.2.5 The demand for a poll may before the poll is taken be withdrawn.
- 7.2.6 A demand so withdrawn shall not be taken to have invalidated the result of a vote on a show of hands declared before the demand was made.
- 7.3 A resolution in writing executed pursuant to Regulation 53 of Table A and which is expressed to be a special resolution or an extraordinary resolution shall have effect accordingly.
- 7.4.1 If and for so long as the Company has only one member and that member takes any decision which is required to be taken in general meeting 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 ss303 and 391 of the Companies Act 1985.
- 7.4.2 Any decision taken by a sole member pursuant to Article 7.4.1 above shall be recorded in writing and delivered by that member to the Company for entry in the Company's minute book.

Votes of Members

- 8.1. The words "or by proxy" shall be inserted after the word "person" in regulation 54 of Table A.
- 8.2 The words "Unless the directors determine otherwise" shall be inserted at the commencement of Regulation 57 of Table A.
- 8.3 The words "30 minutes" shall be substituted for "48 hours" in Regulation 62(a) of Table A and for "24 hours" in Regulation 62(b) of Table A.

Number of directors

- 9. Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum. The minimum number of directors is one.

Alternate directors

- 10.1 A director (other than an alternate director) may appoint any person to be an alternate director and may remove from office an alternate director appointed by him.

- 10.2 When an alternate director is also a director or acts as an alternate director for more than one director, he shall have one vote for every director represented by him (in addition to his own vote if he is himself a director) and, when acting, shall be considered as two directors for the purpose of making a quorum if the quorum exceeds two.

Delegation of powers

11. The following sentence shall be inserted after the first sentence of regulation 72 of Table A:

A committee of directors has the power, unless the directors direct otherwise, to appoint as a member of the committee for any specific purpose a person who is not a director of the Company.

Appointment and retirement of directors

- 12.1 The directors are not subject to retirement by rotation.
- 12.2 The Company may by ordinary resolution appoint a person who is willing to act as a director either to fill a vacancy or as an additional director.
- 12.3 A member or members holding a majority in nominal amount of the issued share capital which confers the right to attend and vote at general meetings may at any time appoint any person to be a director, either as an additional director or to fill a vacancy, and may remove from office any director however appointed. The appointment or removal shall be effected by notice in writing to the Company signed by the member or members giving it or, in the case of a corporate member, signed by a director or by a person authorised by resolution of the directors or other governing body. The appointment or removal shall take effect when the notice is delivered to the registered office or to the secretary of the Company, or is produced at a meeting of the directors. The removal of a director shall be without prejudice to any claim which he may have under any contract with the Company.
- 12.4 There is no age limit for directors of the Company.
- 12.5 A director is not required to hold any qualification shares in the Company.

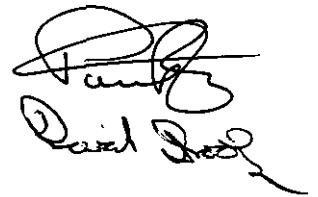
Proceedings of directors

- 13.1 Regulation 88 of Table A shall be amended by adding to the sentence:**

“It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom”

the words:

“unless he has given to the Company an address outside the United Kingdom to which notices should be sent.



13.2 If and so long as the minimum number of directors specified under these Articles is one:

13.2.1 a sole director may exercise all the powers conferred on the directors by the Articles, and shall do so by written resolution under his hand; and

13.2.2 regulations 88 to 90 of Table A shall not apply to the Company.

13.3 A director may participate in a meeting of the directors or a committee of directors of which he is a member by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear each other. Participation in a meeting in this manner shall be deemed to constitute presence in person at the meeting.

13.4 Subject to disclosure in accordance with section 317 of the Act, a director shall be entitled to vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company.

Notices

14. Any notice required by these Articles to be given by the Company may be given by any visible form on paper, including telex and facsimile. A notice communicated by immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111 and 112 of Table A shall be amended accordingly.

Indemnity

15. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director, secretary, auditor or other officer of the Company is entitled to be indemnified by the Company against all losses and liabilities sustained or incurred by him in the execution of his duties or in the exercise of his powers or otherwise in connection with his office, including any liability incurred by him (a) in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty on his part; or (b) in connection with any application in which relief is granted to him by the court from liability in respect of any act or omission done or alleged to be done by him as an officer or employee of the Company.