

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

NORCROS GROUP (TRUSTEE) LIMITED (the "Company")

18 JULY 2016

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the sole shareholder of the Company proposes that the following resolution is passed as a written resolution of the Company, having effect as a special resolution (the "Resolution") -

SPECIAL RESOLUTION

- 1 That the new articles of association, an initialled copy of which is attached to this written resolution for the purposes of identification, be adopted to the exclusion of the existing articles of association of the Company

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolution

I, the undersigned, the sole shareholder and sole person entitled to vote on the Resolution at the time it was circulated hereby irrevocably agree to the Resolution -

RH Collins
R.H. COLLINS, DIRECTOR

For and on behalf of Norcros Group (Holdings) Limited Date

18-7-2016

NOTES

- 1 If you agree the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods -

- **By Hand** delivering the signed copy to Gordon Baker at Baileys House, Central Walk, Wokingham, Berkshire, RG40 1AZ,

WEDNESDAY



A18 20/07/2016 #225
COMPANIES HOUSE

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- **Post** returning the signed copy by post to Gordon Baker at Baileys House, Central Walk, Wokingham, Berkshire, RG40 1AZ,
- **E-mail** by attaching a scanned copy of the signed document to an e-mail and sending it to gordon.baker@norcross.com

If you do not agree to the Resolution, you do not need to do anything you will not be deemed to agree if you fail to reply

- 2 Once you have indicated your agreement to the Resolution, you may not revoke your agreement
- 3 Unless by **10 August 2016** sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date

The Companies Act 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION*

of

NORCROS GROUP (TRUSTEE) LIMITED

PRELIMINARY

- 1 The following regulations and (subject as hereinafter provided) 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 ("Table A") constitute the Articles of Association of the Company
- 2 Regulations 8, 24, 64 to 69, 71, 73 to 80, 81, 85 to 87, 94 to 98, 99 and 118 of Table A do not apply to the Company Regulations 41, 72, 89, 91 and 112 of Table A are modified in their application to the Company as set out in these Articles

DEFINITIONS

- 3 Regulation 1 of Table A applies to the Company with the addition of the following new definitions which apply to these Articles and the Trusteeship Paper

"Act" means the Companies Act 1985 including any statutory modifications or re-enactment of that provision for the time being in force,

"2006 Act" means the Companies Act 2006 for the time being in force,

"Associated Company" means, in relation to any company, any subsidiary or holding company of that company or any subsidiary of any such holding company,

"business days" means any day other than a Saturday, a Sunday, Christmas day, Good Friday or a bank holiday within the meaning of the Banking and Financial Dealings Act 1971,

"Chairman" means the chairman of the board of Directors,

"the Company" means Norcros Group (Trustee) Limited (company number 04001134),

"Director" means a director of the Company,

"In Service Members" means a member of the Plan who is in Pensionable Service or a member of the Plan who whilst remaining a member of the Plan in Service has ceased to be in Pensionable Service,

"Management Representative" means a Director appointed in accordance with paragraph A1 1(ii) of the Trusteeship Paper,

* Adopted by a Special Resolution of the Company passed on 18 July 2016

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"Member Representative" means a Director appointed in accordance with paragraph A1 1(v) of the Trusteeship Paper,

"Norcros" means Norcros Group (Holdings) Limited,

"Plan" means the occupational pension scheme for the time being known as the Norcros Security Plan of which the Company acts as sole trustee,

"Rules" means the trust deeds and rules of the Plan as from time to time in force, including any modification, extension or amendment thereto,

"Company Secretary/Secretary" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint assistant or deputy secretary,

"Trusteeship Paper" means the paper appended to these Articles entitled "Norcros Security Plan Trusteeship" contained in a "Your Pensionmatters" newsletter to be issued in or around October 2016,

The terms **"Member"**, **"Life Assurance Only Member"**, **"Normal Retirement Date"**, **"Pensionable Service"** and **"Service"** shall have the meanings from time to time applicable under the Rules

References in Table A and in these Articles to writing include references to any method of representing or reproducing words in a legible and non-transitory form

- 4 Save as provided in the last preceding Article, words and expressions which bear particular meanings in Table A shall bear the same respective meanings in these Articles. References to pronouns relating to men shall also apply to women and vice versa. The headings in these Articles do not affect their interpretation

SHARE CAPITAL

- 5 The share capital of the company is £100 divided into 100 shares of £1 each

ALLOTMENT OF SHARES

- 6 Shares which are comprised in the authorised share capital as at the date of adoption of these Articles of Association shall be under the control of the Directors who may (subject to Section 80 of the Companies Act 1985) allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and upon such terms and conditions as the Directors may determine and Section 89(1) and 90 of the Companies Act 1985 shall not apply in relation to such shares

TRANSFER OF SHARES

- 7 The Directors may, in their absolute discretion and without giving any reason, decline to register any transfer of any share

LIEN

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

POWERS OF DIRECTORS

- 9 The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company upon such terms (including terms as to remuneration) as they may think fit and may delegate to any person so appointed and of the powers vested in or exercisable by them including power to sub-delegate. The Directors may remove any person appointed under this Article and may revoke or vary such delegation but no person dealing in good faith and without notice of any such revocation or variation shall be affected by it.

DELEGATION OF DIRECTORS' POWERS

- 10 The delegation of Directors' powers shall be in accordance with paragraph A1 1 (xii) of the Trusteeship Paper.

FIRST DIRECTORS

- 11 Following the adoption of these Articles of the Company, the Company shall procure that the incumbent Management Representatives and incumbent Member Representatives shall remain in their positions and hold office for the periods set out in paragraph A1 1 (vii) of the Trusteeship Paper subject to paragraph A1 1 (viii) of the Trusteeship Paper.

NUMBER OF DIRECTORS

- 12 The number of directors shall be as provided in the Trusteeship Paper.

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 13 Appointment and Retirement of Directors shall be as provided in the Trusteeship Paper.

DISQUALIFICATION RESIGNATION AND REMOVAL OF DIRECTORS

- 14 Disqualification, resignation and removal of Directors shall be as set out in paragraph A1 1 (viii) of the Trusteeship Paper.

PROCEEDINGS OF DIRECTORS

- 15 The proceedings of Directors shall be governed by the regulations set out in the Trusteeship Paper. Where the quorum requirements set out in the Trusteeship Paper cannot be met because one or more directors are ineligible to be counted in the quorum present as a result of Article 19, then the quorum for the transaction of the business relating to the resolution on which one or more Directors is not entitled to vote shall be any four directors who are eligible to be counted in the quorum under the terms of Article 19.
- 16 For the avoidance of doubt, nothing in these Articles shall prevent the Directors from complying with the requirements of Sections 242 and 243 of the Pensions Act 2004.
- 17 All or any of the members of the Board or any Committee of the Board may participate in a meeting of the Board or that Committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the Chairman of the meeting then is.

DIRECTORS POWERS TO AUTHORISE CONFLICTS OF INTEREST

- 18 The Directors may authorise, to the fullest extent permitted by law, any matter proposed to them which would otherwise result in a Director infringing his duty under section 175 of the Companies Act 2006 to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts,

or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest

- 19 Authorisation of a matter under Article 18 is effective only if –
 - 19 1 the matter has been proposed to the Directors by its being submitted in writing for consideration at a meeting of the Directors or for the authorisation of the Directors by resolution in writing and in accordance with the Board's normal procedures or in such other manner as the Board may approve,
 - 19 2 any requirement as to quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director, and
 - 19 3 the matter has been agreed to without the Director in question and any other interested Director voting or would have been agreed to if their votes had not been counted
- 20 Any authorisation of a matter under Article 18 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised
- 21 The Board may authorise a matter pursuant to Article 18 on such terms and for such duration, or impose such limits or conditions on it, as it may decide and vary the terms or duration of such an authorisation (including any limits or conditions imposed on it) or revoke it. A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation
- 22 Any terms imposed by the Board under Article 21 may include (without limitation) -
 - 22 1 whether the Director may vote (or be counted in the quorum) at a meeting of the Board or any committee or sub-committee of the Board in relation to any resolution relating to the relevant matter,
 - 22 2 whether the Director is to be given any documents or other information in relation to the relevant matter, and
 - 22 3 whether the Director is to be excluded from discussions in relation to the relevant matter at a meeting of the Board or any committee or subcommittee of the Board or otherwise
- 23 The Board may provide that a Director shall not be required to disclose any confidential information obtained in relation to the relevant matter (other than through his position as a Director of the Company) to the Company or to use or apply it in performing his duties as a Director if to do so would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter
- 24 A Director does not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the 2006 Act if he acts in accordance with such terms, limits and conditions (if any) as the Board may impose in respect of its authorisation of the Director's conflict of interest or possible conflict of interest under Article 18
- 25 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Directors under Article 18 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit
- 26 Any direct or indirect interests that a Director has by virtue of the fact that he is a member of the Plan and/or as an employer, director or shareholder of Norcros or any Associated Company that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest are hereby authorised
- 27 A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company, on such terms as to remuneration and otherwise as the Directors shall arrange

28 A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as a member or otherwise, and no such director shall be accountable for any remuneration or other benefits received by him as a director or officer of or from his interest in such other company. The Directors may also exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing them or any of their number directors or officers of such other company or voting or providing for the payment of remuneration to the directors or officers of such other company.

29 A reference in these Articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

CONFLICTS OF INTEREST

30 If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

31 But if Article 32 applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.

32 This Article applies when -

32 1 the Company by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in the decision-making process,

32 2 the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest,

32 3 the Director's conflict of interest arises from a permitted cause, or

32 4 the other Directors authorise participation in the meeting.

33 For the purposes of Article 32, the following are permitted causes -

33 1 a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries,

33 2 subscription, or an agreement to subscribe, for securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities, and

33 3 arrangements, pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.

34 For the purposes of these Articles, references to proposed decisions and decision-making processes include any Directors meeting.

35 Subject to Article 36, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any Director other than the chairman is to be final and conclusive.

36 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

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DIRECTORS' GRATUITIES AND PENSIONS

- 37 The Directors may establish and maintain, or procure the establishment and maintenance of, any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or of any other company which is a subsidiary of the Company or which is allied to or associated with the Company or any such subsidiary or of any company which is a predecessor in business of the Company or of any such other company as aforesaid or any persons who are or were at any time directors or officers of the Company or of any such other company as aforesaid or spouses, widows, widowers, families and dependants of any such persons, and also establish and subsidise or subscribe to any institutions, associations or clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and make payments for or towards the insurance of any such persons as aforesaid and subscribe or guarantee money for any charitable or benevolent object or for any exhibition, or for any public, general or useful object, and may do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid provided that the Directors shall not be entitled without the previous sanction of any Ordinary Resolution of the Company to exercise the powers conferred by this Article in favour of any person who is or was a Director of the Company or of any such other company as aforesaid but who does not hold or has not held any salaried employment or salaried office in the Company or in any such other company as aforesaid or in favour of the wife, widow, family or dependants of any such person

SECRETARY

- 38 The appointment of a Company Secretary shall be as provided at paragraph A1 1 (xiii) of the Trusteeship Paper

NOTICES

- 39 Any notice or other document may be served on or delivered to any member by the Company either personally or by sending it by post in a prepaid envelope or wrapper addressed to the member at his registered address, or by leaving it at that address addressed to the member, or by any other means authorised in writing by the member concerned. In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders. Regulation 112 of Table A shall be modified accordingly

INDEMNITY

- 40 Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him as such Director or other officer or auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the Court from liability

Norcros Security Plan Trusteeship

The constitution of the Trustee shall be as follows -

A1 1 NG(T)L shall continue as the incumbent trustee of the Plan NG(T)L is a wholly owned dormant subsidiary of Norcros New articles of association of NG(T)L shall be adopted which incorporate the following elements

- (i) The Board of NG(T)L ("the Board") shall comprise eight directors
- (ii) Norcros shall be entitled to appoint four directors to the Board
- (iii) Norcros shall be entitled to designate one of the directors it is entitled to appoint under (ii) as Chairman of the Board, provided that the Chairman so designated shall not be an executive director of either Norcros or its parent company Norcros plc
- (iv) Norcros shall not appoint its Group Chief Executive to the Board
- (v) Norcros shall appoint a further four directors all of whom shall be members of the Plan These four directors shall have to satisfy the following requirements

Two of the directors appointed shall have been elected from amongst the in service members of the Plan – one from amongst the members employed in the Johnson Tiles and Norcros Adhesives divisions, the other from amongst the members employed in the Triton Showers division, and

Two of the directors so appointed shall have been selected from amongst the current deferred pensioners and pensioners of the Plan

- (vi) There shall be no maximum age for any MND at the date of his appointment to the Board The maximum age for any Norcros appointed director shall be in line with the Articles of Association of Norcros
- (vii) Apart from the initial expiry dates explained in the article accompanying this Appendix, each of the four directors appointed by Norcros under (ii) above shall be appointed for three years and each of the four directors elected / selected under (v) above shall be appointed for five years Early termination of an appointment will be possible in the circumstances explained below At the expiry of his appointment, every director will be eligible to be re-appointed subject to satisfying the other conditions for appointment as a director, but in the case of any of the four directors (s)ected from the membership, a renewal of appointment will be subject to a repeat of the appropriate (s)election procedure
- (viii) The only circumstances in which a director's term of office shall cease are to be any one or more of the following
 - a) automatically on his death,
 - b) if he voluntarily resigns from office,
 - c) in the case of a director elected from the in-service membership, if he ceases to be employed by Norcros or one of its subsidiary companies,
 - d) in the case of a deferred pensioner, if he takes a transfer value from the Plan in lieu of his deferred pension rights,
 - e) in the case of the Chairman, if he ceases to carry the support of Norcros,
 - f) if he is removed by a unanimous vote of the remaining members of the Board,

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- g) if he reaches the end of his set term of office,
 - h) if his circumstances change such that he becomes disqualified from being a trustee in accordance with Section 29 of the Pensions Act 1995 or the Company Directors Disqualification Act 1986
- (ix) If any director's position falls vacant for whatever reason, the remaining Board may continue to function ordinarily, but the vacant position must be filled by Norcros within three months of it falling vacant, and (where applicable) from the appropriate class of membership and after running the appropriate election/selection procedure. Norcros may co-opt a person (whether or not a member, or a member of an appropriate class) to fill the vacancy temporarily, prior (where applicable) to running the appropriate election/selection procedure.
- (x) A quorum of the Board shall be a minimum of 4, of which at least 2 are Norcros appointed directors and at least 2 are member (s)electd directors. In the absence of the Chairman at any meeting which is otherwise quorate, the directors present shall agree on one of their number to act as chairman for that meeting only, and that person shall have all powers normally associated with the Chairman during that meeting only.
- (xi) The Board should seek to reach decisions by consensus, but if this is not possible, matters may be put to a vote of the directors present, and a simple majority of votes cast will decide the outcome. In the event of a tied vote, the Chairman shall have a casting vote. The Chairman's casting vote apart, all directors will generally have equal powers in all matters relating to NG(T)L (although for practical reasons not every director will be an authorised signatory).
- (xii) The Board may choose to delegate matters to sub-committees. Such sub-committees must contain at least one of each of the Norcros appointed and member (s)electd directors.
- (xiii) The Company Secretary of the Board shall be appointed and removed at the discretion of Norcros and shall not be eligible for appointment as a director of the Board as long as he or she holds office as Company Secretary of the Board.
- (xiv) Within the above constraints, the Board may make such provision for the conduct of its business as it considers appropriate.
- A1 2 The election of nominees for appointment to the Board from amongst the in service membership will be achieved as follows
- (i) When a vacancy falls due, all in service members who are eligible under paragraph A1 1(v) will be given a chance to put themselves forward for nomination. To be valid, each nomination must be supported by the signature of two other in service members from the same division (i.e. Triton Showers Division for one, Johnson Tiles and Norcros Adhesives Divisions for the other). No in service member may support more than one candidate for any one election process.
- The candidate will be expected to provide a short written submission in support of his candidacy.
- (ii) If there is only one nominee for the vacant position, that nominee will automatically go forward for appointment by Norcros.
 - (iii) If there is more than one nominee for the vacant position, independent scrutineers will be asked to conduct an election. Each in service member will have a single vote, and the candidate with most votes will go forward for appointment by Norcros.
 - (iv) Norcros reserves the right to refuse to appoint an elected candidate, but it undertakes not to use such a power unless there are exceptional circumstances to warrant its use.

A1 3 The selection of directors from amongst pensioners and deferred pensioners will be achieved as follows

- (i) When a vacancy falls due, a circular will be sent to the last known address at the date of circulation of each pensioner and deferred pensioner of the Plan. No circular will be sent if a previous postal communication to that last known address has been returned marked "gone away" (or similar). This circular will notify the existence of the vacancy and call for nominations to be submitted. To be valid, each nomination must be supported by the signatures of two other [pensioners or deferred pensioners, but only pensioners can support the nomination of a pensioner and only a deferred pensioner can support the nomination of a deferred pensioner. No pensioner or deferred pensioner may support more than one candidate for any one election process.

The candidate will be expected to provide a short written submission in support of his candidacy

- (ii) The Board will choose a short-list of candidates to interview. The short-list will be no fewer than five (unless there are fewer nominations in which case all will be interviewed).
- (iii) The Board will select a candidate for appointment as a director following these interviews.
- (iv) The strong preference will always be for there to be one deferred pensioner Director and one pensioner Director on the Board at all times, but the Board has the power, if it judges it appropriate, to appoint both Directors from the same category.

A1 4 No person may stand for (s)election as a director if he is disqualified from being a trustee in accordance with Section 29 of the Pensions Act 1995 or being a director in accordance with the Company Directors Disqualification Act 1986.

A1 5 In the event that there are no nominations for any trustee director vacancies, Norcros may co-opt any persons to fill such vacancies (not necessarily persons from the class associated with the vacancy). Such persons will be appointed, subject to the remaining rules of the system, for a maximum term of up to five years, but subject to the (s)election procedure being repeated at reasonable intervals until the vacancy is filled, at which time the co-opted person will cease to hold office.

A1 6 Norcros reserves the right to amend any part of this constitution at any time, but shall only make such amendments if they are agreed by the Board of NG(T)L from time to time (unless the change is specifically required to satisfy the requirements of any legislation, including the Pensions Act 2004 or statutory regulations made thereunder).

Norcros and the Board of NG(T)L will also review the constitution from time to time to ensure that it remains appropriate in light of any changes that occur to the Plan.