

Company Number: 1356000

THE COMPANIES ACTS 1948 to 1989
COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
of
TILES (UK) LIMITED ("the Company")

Passed on 28th March 2003

We, the undersigned, being all the members for the time being of the Company entitled to attend and vote at a general meeting in respect of the following matters **HEREBY RESOLVE** (pursuant to section 381A Companies Act 1985 and with the intent that the following resolutions shall for all purposes be valid and effective as if the same had been passed by us at a general meeting of the Company duly convened and held) as follows:

1. **THAT** the 750,030 of the 1,000,040 issued ordinary shares of 5 pence each in the capital of the Company held at the date of this resolution by Alison Bold and the 50,002 of the 1,000,040 issued Ordinary Shares of 5 pence each in the capital of the Company held at the date of this resolution by Ian Robert Kershaw all be redesignated "A" ordinary shares of 5p each, having the rights ascribed to them by the new Articles of Association to be adopted pursuant to resolution 3 below.
2. **THAT** the remaining 200,008 issued ordinary shares of 5 pence each in the capital of the Company be redesignated "B" ordinary shares of 5 pence each having the rights ascribed to them by the new Articles of Association to be adopted pursuant to resolution 3 below.
3. **THAT** the Company adopt new Articles of Association in the form of the draft Articles of Association, a copy of which is annexed hereto in substitution for and to the exclusion of the existing Articles of Association of the Company.

.....
Alison Bold
Alison Bold

.....
[Signature]
Ian Robert Kershaw

.....
Alison Bold
for and on behalf of
Tile UK Ltd



A copy of this written resolution has been delivered to the auditors of the Company.

Company No: 1356000

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THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES

TILES (UK) LIMITED

ARTICLES OF ASSOCIATION
(Adopted by Special Resolution
passed on 28th March 2003)

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THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES

TILES (UK) LIMITED
ARTICLES OF ASSOCIATION

**(Adopted by Special Resolution
passed on 25th March 2003)**

PRELIMINARY

1. The Company shall be a private company within the meaning of the Companies Act 1985 ("the Act") and accordingly no offer, allotment or agreement to allot shall be made (whether for cash or otherwise) of any shares in or debentures of the Company to, or with a view to all or any of those shares or debentures being offered for sale to, the public.
2. Regulations 24, 46, 53, 62, 64, 73 to 80 inclusive, 87, 93 to 98 inclusive, and 112 of Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 ("Table A") shall not apply to the Company but subject thereto the Articles hereinafter contained, together with the remaining regulations of Table A, but subject to the modifications hereinafter expressed, shall constitute the regulations of the Company.
3. These Articles and those regulations incorporated herein shall take effect subject to the requirements and provisions of the Act as modified or re-enacted from time to time and of every other Act for the time being in force affecting the Company ("the Statutes").

SHARES AND SHARE CAPITAL

4. The capital of the Company at the date of the adoption of these Articles is £250,000 divided into 800,032 'A' ordinary shares, 200,008 'B' ordinary shares and 3,999,960 ordinary shares, all of 5 pence each, of which all the 800,032 'A' ordinary shares and all the 200,008 'B' ordinary shares are in issue at the date of adoption of these Articles.
5. Subject to the provisions of these Articles and the Statutes all un-issued shares in the capital of the Company at the date of adoption of these Articles shall be at the disposal of the Directors who are generally and unconditionally authorised for a period of five years from such date to allot, grant options over or otherwise dispose of them to such persons at such times and on such conditions as they may determine. The Directors shall, subject as herein stated, be entitled to make at any time before the expiry of such authority any

offer or agreement which will or may require shares to be allotted after the expiry thereof. The Company may by ordinary resolution at any time extend, renew or revoke this authority.

6. Section 89(1) and Section 90(1) to (6) inclusive of the Act are hereby excluded and shall not apply to any allotment of equity securities in the Company.
7. Subject to Part V of the Act the Company may:-
 - 7.1 issue shares which may or are liable to be redeemed at the option of the Company or the holder thereof;
 - 7.2 purchase its own shares (including any redeemable shares);
 - 7.3 make a payment in respect of the redemption or purchase under Sections 159 to 160 or (as the case may be) Section 162 of the Act of any of its shares otherwise than out of its distributable profits or the proceeds of a fresh issue of shares.
7. The holders of shares (of whatever class) shall be entitled to receive notice of and to attend and vote at general meetings of the Company. On a show of hands every holder of shares (of whatever class) who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll every holder of shares (of whatever class) so present shall have one vote for each share held by him.
8. On a return of assets on liquidation, reduction of capital or otherwise any surplus assets of the Company remaining after payment of its liabilities shall be applied in paying first to the holders of the 'A' ordinary shares an amount equal to the paid-up share capital on the 'A' ordinary shares held by each of them respectively, second to the holders of other shares an amount equal to the paid-up share capital on such shares held by each of them respectively, and third to the holders of shares *pari passu* as if they constitute one class of share in proportion to the number of Ordinary Shares held by each of them.
9. Any profits which the Company determines to distribute in respect of any financial period may be distributed amongst different classes of shares as the Directors (in their absolute discretion) shall see fit but shall be distributed equally amongst the holders of shares of the same class.

VARIATION OF RIGHTS

10. If any such separate general meeting as is referred to in Section 125 of the Act shall be adjourned by reason of there being no quorum present within half an hour from the time appointed for such adjourned meeting the holders of shares of the class present at such adjourned meeting shall be a quorum.

11. The Directors may, in their absolute discretion and without assigning any reason therefore, decline to register any transfer of any share whether or not such share is a fully paid share.
12. The provision of regulation 30 of Table A shall apply to any person becoming entitled to a share in consequence of a merger or consolidation of any member being a corporation as they apply to any person becoming entitled to a share in consequence of the death or bankruptcy of a member.

LIEN

13. In regulation 8 of Table A the words "not being a fully paid share" shall be omitted.

PROCEEDINGS AT GENERAL MEETINGS

14. Regulation 41 of Table A shall be read and construed as if the words "and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved" were added at the end.
15. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before or immediately following the declaration of the result of the show of hands a poll is demanded by the Chairman or any other member entitled to vote present in person or by proxy or by authorised representative. Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried (whether unanimously or by a particular majority) or lost and an entry to that effect made in the book containing the minutes of the proceedings of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution. The demand for a poll may be withdrawn.
16. The words "and a proxy shall be the same right to speak as the member who he represents" shall be inserted at the end of regulation 59 of Table A.
17. Subject to the provisions of the Statutes, a resolution in writing signed or approved by letter or facsimile transmission by all the members for the time being entitled to receive notice of and attend and vote at general meetings (or being corporations by their respective duly authorised representatives) shall be as effective as a special, ordinary or extraordinary resolution (as the case may be) as if the same had been passed at a general meeting of the Company duly convened and held any may consist of several documents in the like form each signed or approved by one or more persons.
18. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as

offer or agreement which will or may require shares to be allotted after the expiry thereof. The Company may by ordinary resolution at any time extend, renew or revoke this authority.

6. Section 89(1) and Section 90(1) to (6) inclusive of the Act are hereby excluded and shall not apply to any allotment of equity securities in the Company.
7. Subject to Part V of the Act the Company may:-
 - 7.1 issue shares which may or are liable to be redeemed at the option of the Company or the holder thereof;
 - 7.2 purchase its own shares (including any redeemable shares);
 - 7.3 make a payment in respect of the redemption or purchase under Sections 159 to 160 or (as the case may be) Section 162 of the Act of any of its shares otherwise than out of its distributable profits or the proceeds of a fresh issue of shares.
7. The holders of shares (of whatever class) shall be entitled to receive notice of and to attend and vote at general meetings of the Company. On a show of hands every holder of shares (of whatever class) who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll every holder of shares (of whatever class) so present shall have one vote for each share held by him.
8. On a return of assets on liquidation, reduction of capital or otherwise any surplus assets of the Company remaining after payment of its liabilities shall be applied in paying first to the holders of the 'A' ordinary shares an amount equal to the paid-up share capital on the 'A' ordinary shares held by each of them respectively, second to the holders of other shares an amount equal to the paid-up share capital on such shares held by each of them respectively, and third to the holders of shares *pari passu* as if they constitute one class of share in proportion to the number of Ordinary Shares held by each of them.
9. Any profits which the Company determines to distribute in respect of any financial period may be distributed amongst different classes of shares as the Directors (in their absolute discretion) shall see fit but shall be distributed equally amongst the holders of shares of the same class.

VARIATION OF RIGHTS

10. If any such separate general meeting as is referred to in Section 125 of the Act shall be adjourned by reason of there being no quorum present within half an hour from the time appointed for such adjourned meeting the holders of shares of the class present at such adjourned meeting shall be a quorum.

that corporation could exercise if it were an individual member of the Company, including the power to consent to shorter notice of any meeting than that required under the Statutes of these Articles.

19. The instrument appointing a proxy shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting or shall be produced at the commencement of the meeting or adjourned meeting at which the person named in the instrument proposes to be present and to vote and in default the instrument of proxy shall not be treated as valid.

DIRECTORS

20. Unless and until otherwise determined by the Company in general meeting the number of directors need not be more than one but there shall be no maximum number. When one director only is in office such director shall have and may exercise all the powers and authorities vested in and over the Company as by the regulations of the Company are conferred upon the Directors or the Board of Directors. For so long as there shall be only one director it shall not be necessary for the Directors to meet together for the despatch of business or to effect such business by reference to any such resolution as is mentioned in Article 33.
21. The Company may by ordinary resolution appoint any person who is willing to act to be a director either to fill a vacancy or as an additional director.
22. The Directors may appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.
23. A limited or unlimited company or other body corporate may be appointed as the Secretary or a director or the sole director of the Company. In every such case any individual from time to time appropriately authorised in accordance with the constitution or Articles of Association of the appointee shall have and may exercise all the powers, rights and privileges attaching to the office in question, and may in the name or on behalf of the Company act in any manner and do any thing which he himself could do if he had been personally appointed to such office.
24. Regulation 44 of Table A shall read and construed as if the words "to receive notice of and" appeared immediately before the word "attend".
25. No director shall vacate his office or be ineligible for re-appointment as a director, nor shall any person be ineligible for appointment as a director by reason only of his having attained any particular age nor shall special notice be required of any resolution appointing or approving the appointment of such director or any notice be required to state the age of the person to whom such resolution relates.

POWERS AND DUTIES OF DIRECTORS

26. Any Director who performs special services at the request or with the agreement of the Directors may receive such additional remuneration (whether by way of salary, fees, commission or otherwise) as the Directors may determine.
27. Subject to the provisions of the Statutes, and to receiving the prior written consent of all the members, no director shall be disqualified by his position as director from entering into any contract or arrangement with the Company and a director may (subject and with such consent as aforesaid) vote and be taken into account for the purpose of constituting a quorum in respect of any contract or arrangement in which he may be in any way interested and retain for his own absolute benefit all profits and advantages accruing to him therefrom. A director may hold any other office or place of profit under the Company other than that of auditor on such terms as to remuneration and otherwise as shall be determined by the Directors.

LOCAL DIRECTORS AND MANAGEMENT

28. The Directors may from time to time appoint any one or more persons without limit as to number to be an Associate, Special or Local Director for such periods and at such remuneration, either fixed or varying with profits or otherwise or partly by one method and partly by another, and generally on such terms as the Board may from time to time think fit and may at any time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and the provisions following shall apply for every Associate, Special or Local Director so appointed. An Associate, Special or Local Director shall not be deemed to be a director or to occupy the position of a director for any purpose (including for the purposes of section 741 of the Act) and without prejudice to the generality of the foregoing an Associate, Special or Local Director shall not be entitled:-
 - 28.1 to receive notice of or attend or vote at meetings of the Board of Directors; or
 - 28.2 to appoint an alternative director; or
 - 28.3 to have access to the books or records of the Company except with the sanction of the Directors.
29. The Directors may from time to time and at any time provide through local boards, attorneys or agencies for the management of the affairs of the Company abroad, and may appoint any persons to be members of such local boards or as attorneys or agents, and may remove any persons so appointed and appoint others in their place, and may fix their remuneration.
30. The Directors may from time to time and at any time, delegate to any local board, attorney or agent duly appointed in accordance with these Articles any of the powers, authorities and discretions for the time being vested in the

Directors, and any such delegation may be made on such terms and subject to such conditions as the Directors may think fit, and may include a power to sub-delegate, and the Directors may at any time annul or vary any such delegation, but no person dealing in good faith and without notice of such annulment or variation shall be affected thereby.

PENSIONS AND ALLOWANCES

31. The Directors may grant pensions or annuities or other allowances including allowances on death to any person or to the spouse or former spouse or dependants of any person in respect of services rendered by him to the Company as managing director, manager or in any other executive office or employment in the Company or indirectly as an executive officer or employee of any subsidiary or associated company of the Company or of its holding company (if any) or of any predecessor in business of the Company, notwithstanding that he may be or may have been a director, and may make payments towards insurance or trusts for such purposes in respect of any such persons and may include rights in respect of such pensions annuities and allowances in the terms of engagement of any such persons.

PROCEEDINGS OF DIRECTORS

32. A resolution in writing signed or approved by letter or facsimile transmission by all the Directors for the time being shall be as affective as a resolution passed at a meeting of the Directors duly convened, held and constituted and may consist of several documents in like form each signed or approved by one or more of the Directors.
33. Any director may participate in a meeting of the Directors at which a quorum is present (whether or not he shall have been given notice of the meeting) by means of conference telephone, video or similar communication equipment whereby all the directors participating in the meeting and any such director can hear one another throughout all relevant discussions. The Director so participating may not be counted in the quorum of the participating may not be counted in the quorum of the meeting but may vote orally and any vote so given shall be counted. The director may be required by any other director present in person at the meeting to sign, by way of confirmation, either the original minutes of the meeting (which shall refer to his participation) or a written memorandum to be attached to such minutes recording the decisions in which he participated, but neither the proceedings of the meeting nor the record thereof shall be invalidated by any failure by the director to observe any such requirement.

MANAGING DIRECTOR

34. The Directors may from time to time appoint one or more of their body to the office of managing director or joint managing director or any other executive office for such period and on such terms as they think fit and notwithstanding the terms of any agreement entered into in any particular case may revoke such appointment. The appointment as managing director or to such other

executive office shall be automatically determined if the appointee ceases from any cause to be a director.

SEAL AND REGISTERS

35. The Company need not have a common seal.
36. The Company may exercise all the powers conferred by Sections 39 and 362 of the Act, and such powers shall accordingly be vested in the Directors, who may (subject to the provisions of those sections) make and vary such regulations as they may think fit with regard to the use of the Seal and the keeping of the registers to which those Sections relate.

NOTICES

37. A notice may be given by the Company to any member either personally or by sending it by letter, facsimile transmission or email to him or to his registered address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the Register of Members in respect of the joint holding and notice so given shall be sufficient notice to all joint holders. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice and to have been effected at the expiration of twenty four hours after the letter containing the same is posted. Where a notice is sent by facsimile transmission or by email service of the notice shall be deemed to be effected by properly addressing and despatching the facsimile transmission or email containing the notice and to have been effected at the expiration of twenty four hours after its transmission or despatch.
38. Notice of every general meeting shall be given in any manner hereinbefore authorised to every member who has supplied an address to the Company.

INDEMNITY

39. Subject to the provisions of the Statutes, every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or otherwise in relation thereto and subject as aforesaid the Company may purchase and maintain insurance against any liability for any director, auditor, secretary or other officer of the Company. Regulation 118 of Table A shall be extended accordingly.