

eUROPEAN

OILFIELD

SPECIALITY

CHEMICALS

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THE COMPANIES ACTS 1985 to 1989

COMPANY LIMITED BY
GUARANTEE AND NOT HAVING A
SHARE CAPITAL

MEMORANDUM OF ASSOCIATION*

and

ARTICLES OF ASSOCIATION*

of

**EUROPEAN OILFIELD SPECIALITY
CHEMICALS ASSOCIATION**

Incorporated the 1st day of April 1997

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**MEMORANDUM OF ASSOCIATION
AND
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OF

EUROPEAN OILFIELD SPECIALITY CHEMICALS ASSOCIATION

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MEMORANDUM OF ASSOCIATION*

OF

EUROPEAN OILFIELD SPECIALITY CHEMICALS ASSOCIATION

1. The name of the Company (hereinafter called “the Association”) is EUROPEAN OILFIELD SPECIALITY CHEMICALS ASSOCIATION.
2. The registered office of the Association will be situate in Scotland.
3. The primary role of EOSCA is to provide a forum for oilfield speciality chemical companies, and their support industries to meet and discuss developments of a technical and/or statutory nature concerning the application of chemicals in the oil and gas industry.
4. The objects for which the Association is established are :-
 - (1) To liaise and co-operate with Government Departments and Public Authorities and bodies and support or oppose any legislative action which may affect the Offshore Chemical Supply Industry (“the Industry”). To give to the Legislature, Government Departments, Local Authorities and other public or private bodies advice and guidance as regards matters directly or indirectly affecting the Industry.
 - (2) To institute or subscribe towards or otherwise help and forward any research work, studies or investigations which study the effects of the industry’s activities on the environment, the health and safety of individuals and the prevention of associated risks.
 - (3) To provide advice and information to members, and others on the subject of safe use, handling, transportation and disposal of raw materials, products and wastes from members’ operations.
 - (4) To inform those concerned in a timely manner on significant industry-related safety, health and environmental hazards, and recommend protective measures.
 - (5) To take over the assets and liabilities of the unincorporated body known as the European Oilfield Speciality Chemicals Association or such of them as may lawfully be taken over by the Association.
 - (6) To promote and encourage and to take all steps from time to time considered expedient with a view to establishing and maintaining standards of quality and workmanship in the Industry and to act in an advisory capacity in relation to any person engaged in the Industry concerning problems and matters of any nature arising in connection therewith.

- (7) To promote good relations between the Industry and the public.
- (8) To promote the publication and circulation of documents relevant to the supply of chemicals to the Industry.
- (9) To initiate, hold, direct, manage and take part in exhibitions, shows, displays, conferences, congresses, meetings and other gatherings for the purpose of advancing any of the objects of the Association.
- (10) To retain or employ skilled professional or technical advisors or workers in connection with the objects of the Association or any of them and to pay to such advisors or workers such fees or other remuneration as may be considered expedient.
- (11) To purchase, take on lease or in exchange, hire or otherwise acquire or obtain options over any real or personal property and any rights or privileges and the whole or part of the undertaking, assets and liabilities of any person which the Association may think necessary or convenient for the promotion of its objects, or capable of being profitably dealt with in connection with any of its property or rights for the time being, and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Association.
- (12) To sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Association as may be thought expedient with a view to the promotion of its objects.
- (13) To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality) to guarantee, support or secure, with or without consideration, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) of the Association or by both such methods or in any other manner, the performance of any obligations or commitments of any person.
- (14) To undertake, accept, execute, perform and administer any lawful trust or conditions affecting any real or personal property of whatsoever nature held or owned in trust for the benefit of, or for any of the purposes or objects of the Association and to accept any donation, devise, bequest, subscription or contribution for any of the purposes or objects thereof.
- (15) To borrow or raise money for the purposes of the Association on such terms and on such security as may be thought fit.
- (16) To invest the moneys of the Association not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.
- (17) To lend and advance money not immediately required for use in connection with any of its objects, and to give credit on such terms and in such manner as may from time to time be determined and to place any such moneys on deposit with bankers and others.
- (18) To provide services of all descriptions.
- (19) To draw, accept, make, endorse, discount, execute, issue, negotiate, buy, sell, and otherwise deal in cheques, bills of exchange, promissory notes, and other negotiable or transferable instruments.

- (20) To apply for, institute, promote, support or obtain any Royal Charter, legislative, municipal or other Acts, authorisations, proceedings or actions for the purpose of enabling the Association to carry any of its objects into effect or of effecting any modifications of the Association's constitution, or for any other purpose which may be considered expedient, and to oppose any proceedings or actions which may be considered calculated directly or indirectly to prejudice the Association's interests.
- (21) To establish minimum and other standards of quality and workmanship for the Industry and to encourage and foster their use and maintenance by all persons engaged in the Industry.
- (22) To pay all expenses of and incidental to the incorporation and establishment of the Association
- (23) To do all such other things whatsoever and wheresoever as may in the opinion of the Council of the Association be necessary, incidental, or conducive or convenient to the attainment of the above objects or any of them, or calculated directly or indirectly to enhance the value of or render profitable any of the Association's property, assets or rights, or otherwise likely in any respect to be advantageous to the Association.
- (24) To do all or any of the things and matters aforesaid, either as the principal, agent, trustee or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with others.

It is hereby declared that, save as hereinbefore provided, the objects specified in the different paragraphs of this Clause shall except where otherwise expressed in such paragraphs be in no way limited by reference to any other paragraph or to the name of the Association but may be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent company.

Provided that:-

- (i) In case the Association shall take or hold any property which may be subject to any trusts, the Association shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
- (ii) The objects of the Association shall not extend to the sale of the products of the Industry, nor to the regulation of relations between its members and their customers or between workers and employers or organisations of workers and organisations of employers.

5. The income and property of the Association shall be applied solely towards the promotion of its objects as set forth in this Memorandum of Association and no portion thereof shall be paid or transferred directly by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Association and no member of its Council shall be appointed to any office of the Association paid by salary or fees, or receive any remuneration or other benefit in money or money's worth from the Association.

Provided that nothing herein shall prevent any payment in good faith by the Association:-

- (a) of reasonable and proper remuneration to any member, officer or servant of the Association for any services rendered to the Association;
- (b) of interest at a rate not exceeding six per cent per annum on money lent or reasonable and proper rent for premises demised or let by any member of the Association or of its Council;

(c) to any member of its Council of out-of-pocket expenses;

(d) to a company of which a member of the Council may be a member holding not more than one-hundredth part of the capital of such company.

6. The liability of the members is limited.

7. Every member of the Association undertakes to contribute to the assets of the Association in the event of the same being wound up while he is a member or within one year after he ceases to be a member, for payment of the debts and liabilities of the Association contracted before he ceases to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £10.

8. If upon the winding up or dissolution of the Association, there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Association, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Association, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Association under or by virtue of Clause 5 hereof, such institution or institutions to be determined by the members of the Association at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some charitable object.

9. True accounts shall be kept of the sums of money received and expended by the Association and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Association and of the property, credits and liabilities of the Association; and, subject to any reasonable restrictions as to time and manner of inspecting the same that may be imposed in accordance with the regulations of the Association for the time being, such accounts shall be open to the inspection of the members. Once at least in every year the accounts of the Association shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.

We, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to the Memorandum.

Names, Addresses and Descriptions of Subscribers

Ian Innes Still

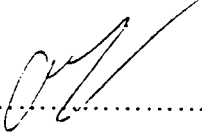
71 St Rownan's Drive
Peterculter
ABERDEEN
AB14 0RD

Signed by 

Ian Still

Albert Bos

Mariëndaal 37
7544 NG Enschede
THE NETHERLANDS

Signed by 

Albert Bos

Henry Craddock

92 Rowan Avenue
Kirriemuir
Angus
DD8 4TD

Signed by 

Henry Craddock

Melanie Clare Thatcher

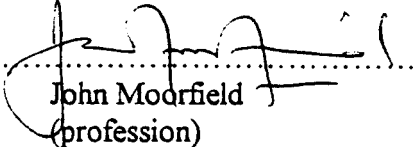
12 Earns Heugh Circle
Cove Bay
ABERDEEN
AB12 3PY

Signed by 

Melanie Thatcher

Dated the 18 day of March 1997

Witness to the above signatures:-



John Moorfield
(profession)
5 Solway Close
Ashton-in-Makerfield
Wiggon
Lancs WN4 9RA

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ARTICLES OF ASSOCIATION*
OF
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CHEMICALS ASSOCIATION

GENERAL

1. In these Articles the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:-

WORDS	MEANINGS
these Articles	these Articles of Association and the regulations of the Association as altered from time to time by special resolution and the expressions "this Article" and "this Regulation" shall be construed accordingly.
the Association	the European Oilfield Speciality Chemicals Association
Cash Call	any call for payment of cash made by the Association to the Members (of the Association) in connection with the funds of the Association and made in accordance with Articles 57 and 58.
the Chairman	the Chairman, or in his absence, the Vice-Chairman of the Association.
the Committee	the Senior body appointed by the Council including the Chairman, Vice Chairman and Treasurer
the Companies Act	every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies insofar as it applies to the Association.
the Council	the members of the Association present at a duly convened Annual General Meeting or Extraordinary General Meeting at which a quorum is present.
the Designated Areas	the designated areas being those countries which are part of Europe.
Europe	European Union (EU) and PARCOM countries.
the Industry	the upstream and downstream activities related to the exploration, development, production, processing and refining of hydrocarbons.
month	calendar month.
the Office	the registered office of the Association.
the Quorum	the presence of one third of the voting membership present at a meeting.

the Secretary	the Secretary, or (if there are Joint Secretaries) anyone of the Joint Secretaries of the Association includes an Assistant or Deputy Secretary and any other person appointed by the Council to perform any of the duties of the Secretary.
Speciality Chemicals	Chemicals or blends of chemicals used to facilitate or enhance the drilling of wells and/or the extraction of hydrocarbon resources from the ground.
the United Kingdom in writing	Great Britain and Northern Ireland. any method of representing or reproducing words in a legible and non-transitory form.
year	a period of twelve calendar months.

Any words importing the singular number only shall include the plural number, and *vice versa*.

Words importing the masculine gender only shall include the feminine gender.

Words importing persons shall include corporations.

For the purposes of these Articles, a person shall be deemed to be “associated” with another person if he is related to that person under the provisions of Section 52(2) of the Companies Act 1989. A person is associated with a company if he falls within the provisions of Section 52(3) of the Companies Act 1989. A person, if a director, will control a company if:-

- a) he or any person connected with him is interested in any part of the equity share capital of that company or he is entitled to exercise or control the exercise of any part of the voting power at any general meetings of that body; and
- b) that director, the persons connected with him and the other directors of that company, together, are interested in more than one-half of that share capital or are entitled to exercise or control the exercise of more than one-half of that voting power.

Subject as aforesaid, any words or expressions to which a particular meaning is given by the Companies Acts in force at the date on which these Articles become binding on the Association shall, if not inconsistent with the subject or context, bear the same meanings in these Articles or that part (as the case may be).

Headings and notes are included for convenience only and shall not affect construction.

BUSINESS

2. The Association is established for the purpose expressed in its Memorandum of Association.
3. The business of the Association may be commenced as soon after the incorporation of the Association as the Council shall think fit.
4. The Office shall be at such place in Scotland as the Council shall from time to time appoint.

ADMISSION OF MEMBERS

5. (a) The subscribers to the Memorandum of Association and such other persons as shall be admitted to membership in accordance with the provisions hereinafter shall be members of the Association.

(b) Notwithstanding the foregoing and the provisions of Articles 8 and 10 below, fully paid-up members of the unincorporated Association, European Oilfield Speciality Chemical Association, if applying for membership of the Association within 12 months of its incorporation shall be registered as fully paid-up members of the Association without need for approval or payment of any entrance fee to the Association.
6. For the purposes of registration of the Association the number of members of the Association is to be taken to be five hundred, but the Council may at any time or from time to time register an increase of members.
7. (1) The following categories of Company only and no others shall be eligible for Full Membership of the Association.:-
 - (a) Any body corporate who supplies speciality chemicals to the Industry in Europe, or
 - (b) Associated chemical service organisations.
(2) At the discretion of the Council, Associate membership may be granted to organisations who do not supply speciality chemicals for use in the European oil and gas industry but who offer services to full members. Such organisations may include chemical or environmental testing laboratories.

(3) Associate membership will be limited to one third of the total membership.

(4) Should the number of full members decline such that the level of associate membership exceeds one third of the total membership, associate members will not be voted out, but no new associate members will be accepted until the number of full members has risen above two thirds of the total membership.
8. No Company shall be admitted to Membership of the Association unless:-
 - (1) It is eligible for Membership in accordance with Article 7, and
 - (2) A representative has signed and sent to the Secretary an application for admission framed in such terms as the Council shall from time to time prescribe, and
 - (3) The Company has supplied the Council such information and particulars, in addition to those contained in his application for admission, as the Council may require, and
 - (4) The Company has been elected to Membership by the Council.
9. The decision of the Council as to whether or not any applicant for admission to membership of the Association shall be admitted to membership shall be by secret ballot if desired by any one member of the Council and shall be final and exclusive.

MEMBERS' FEES AND SUBSCRIPTIONS

10. Upon admission to membership every member shall pay to the Association such entrance fee as the Council shall from time to time determine provided that the Council may at its discretion waive such entrance fee in any particular case. Following a successful application for membership, the Treasurer will invoice the Company for the entrance fee.
11.
 - (1) Every member shall in respect of each year ending 31st December pay a subscription determined by Ordinary Resolution at a General Meeting of the Association.
 - (2) The amount of subscription so fixed shall be notified forthwith to members by the Treasurer and shall be payable to the Treasurer on behalf of the Association on or before 31st March (or in the case of a new member within six weeks of his becoming a member) or at such other later dates and in such instalments as may from time to time be prescribed by the Council.
 - (3) Associate members will be required to pay a reduced fee.
12. Save as hereinafter provided in relation to the appointment of representatives, the rights of every member shall be personal to himself and shall not be transferable, transmissible or chargeable by his own act, by operation of law or otherwise.

TERMINATION OF MEMBERSHIP

13. A member shall immediately cease to be a member upon the happening of any one of the events following, namely:-
 - (1) If he shall resign by not less than three months' notice in writing, left at the Office, such notice expiring on the 31st Day of December in any year or, if being a subscriber to the Memorandum of Association, he shall resign by notice in writing left at the Office.
 - (2) If he shall cease to be eligible for membership in accordance with Article 7 hereof.
 - (3) If the member shall go into liquidation or have a receiver or a manager or a receiver and manager appointed of its undertaking and assets or any part thereof.
 - (4) If he shall not pay, within three months after the Association shall have served him with notice in writing requiring payment thereof, any moneys due to the Association and the Council resolves that his membership be terminated.
 - (5) If in the opinion of the Council his conduct shall be calculated in any respect to be prejudicial to the interests of the Association or of its members collectively or of the Industry and he shall fail to remedy such conduct to the satisfaction of the Council within one month after such notice in writing requiring him to do so shall have been served upon him by the Association and also if and when the Council shall resolve that his membership be terminated.
14. Any member who for any cause whatsoever shall cease to be a member shall not be repaid any part of the entrance fee or of any annual subscription or of any special subscription paid by such member to the Association unless the Council in its absolute discretion shall otherwise determine, but such member, notwithstanding that he has

ceased to be a member, shall remain liable for and shall pay to the Association all moneys which at the time when he ceased to be a member were due from him to the Association under any of the provisions of these Articles and shall remain liable for any sum which may become payable by him by virtue of his liability under the Memorandum of Association.

15. Any member who for any cause whatsoever shall cease to be a member shall immediately discontinue the use of any device of the Association printed or impressed on any notepaper, advertisement or any other document or containing any indication of membership of the Association and shall forthwith return to the Secretary any property of the Association then in his possession.

GENERAL MEETINGS

16. The Council may whenever they think fit convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the Companies Act.
17. A notice convening an Extraordinary General Meeting shall be sent to every member with an Agenda showing the general nature of the business to be transacted at such meeting, and in the case of a resolution submitted by the Council, a copy of the resolution.
18. No resolution shall be passed at an Extraordinary General Meeting except upon the business for which the meeting has been convened. No member shall be entitled to bring any special business before any General Meeting unless he shall have given notice in writing of such special business to the Secretary so as to be received by him not less than thirty days before the date of the meeting and in any such case the Secretary shall include in the notice of the meeting notice of such special business.
19. The date, place and hour of an Extraordinary General Meeting shall be fixed by the Council.
20. Subject to but by way of supplement to the provisions of the Companies Acts a resolution in writing signed by four fifths of the members for the time being entitled to receive notice of and to attend and vote at General Meetings or their duly appointed attorneys shall be as valid and effectual as if it had been passed at a meeting of the members duly convened and held. Any such resolution may consist of several documents in the like form each signed on behalf of one or more members by a director or a duly appointed attorney.

NOTICE OF GENERAL MEETINGS

21. An Annual General Meeting and a meeting called for the passing of a special resolution shall be called by not less than twenty-one clear days' notice in writing. All other meetings shall be called by not less than fourteen clear days' notice in writing. The notice shall specify the place, day and time of the meeting, and the general nature of the business to be transacted. Notice shall be given in a manner hereinafter mentioned to such Companies (including the Auditors) as are under these Articles or under the Companies Acts entitled to receive such notices from the Association.

Notwithstanding that a meeting of the Association is called by shorter notice than that specified in this Article, it shall be deemed to have been properly called if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent (or such lesser

percentage as may be adopted by the Association in accordance with the Companies Acts) of the total voting rights at the meeting of all members.

22. The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any Company entitled to receive notice thereof shall not invalidate any resolutions passed or proceedings at any meeting of the Association.

PROCEEDINGS AT GENERAL MEETINGS

23. All business shall be deemed special that is transacted at an Extraordinary General Meeting with the exception of consideration of the accounts and the appointment and fixing of the remuneration of the auditors.

24. No business shall be transacted at any General Meeting unless a quorum of members is present when the meeting proceeds to business.

25. If within half an hour (or such longer time not exceeding one hour as the Chairman of the meeting may decide to wait) after the time appointed for the holding of a meeting of the Association a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day within thirty days and at such other place as the Council may determine, and if at such adjourned meeting a quorum is not present within half an hour (or such longer time not exceeding one hour as the Chairman of the meeting may decide to wait) after the time appointed for holding the meeting the members present shall be a quorum and may transact the business for which the meeting was called.

26. The Chairman shall preside at every General Meeting, but if at any meeting neither he, nor the Vice Chairman be present within fifteen minutes after the time appointed for holding the same, or if neither of them though present shall be willing to preside, the members present shall choose some member of the Council, or if no such member be present, or if all the members of the Council present decline to take the chair they shall choose some member of the Association who shall be present to preside.

27. The Chairman may at any time without the consent of the meeting adjourn any meeting (whether or not it has commenced or a quorum is present) to another time or place where it appears to him that (a) the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting; or (b) the conduct of persons present prevents or is likely to prevent the orderly continuation of business; or (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

28. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before or in the declaration of the result of the show of hands a poll be demanded.

Subject to the Companies Act, a poll may be demanded by:-

- (a) the Chairman of the meeting; or
- (b) at least two members present in person or by proxy; or
- (c) by any member present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.

Unless a poll be so demanded by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority or lost, or not carried by a particular majority and an entry to that effect in the minutes of the Association, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.

29. If a poll is properly demanded it shall be conducted in such manner and at such time and place as the Chairman of the meeting shall direct and shall be secret. Votes may be given in person or by proxy on a poll and the certificate of the Auditors as to the number of votes both for and against the resolution in respect of which the poll is taken shall be final and conclusive and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
30. A poll demanded on the election of a Chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or on such date (being not later than thirty days after the date of the demand) and at such time and place as the Chairman shall direct. It shall not be necessary (unless the Chairman otherwise directs) for notice to be given of a poll.
31. In the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting shall be entitled to a second or casting vote.
32. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn with the consent of the Chairman at any time before the close of the meeting or the taking of the poll, whichever is the earlier, and in that event shall not invalidate the result of a show of hands declared before the demand was made.

VOTES OF MEMBERS

33. On a show of hands every full member present in person shall have one vote. On a poll every member present in person or by proxy shall be entitled to one vote. Associate members will not be entitled to vote.
34. Save as herein expressly provided, no member (or proxy appointed on his behalf) other than a member duly registered, who shall have paid every subscription and other sum (if any) which shall be due and payable to the Association in respect of his membership, shall be entitled to receive notice of or to vote on any question at any General Meeting.
35. At any General Meeting a full member shall vote by its duly authorised representative who at such General Meeting shall be deemed to be a member present in person and shall be entitled to speak, demand a poll, vote, act as proxy and in all other aspects exercise the rights of a member on its behalf.

For the purposes of this Article 35 and Articles 59, 60 and 61 the duly authorised representative shall be a named director or such other senior executive of the member who is either appointed by a resolution of the directors of such member (or by a duly appointed committee of the directors of such member) to act on its behalf, or his alternate appointed in a like manner.

36. An instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer, attorney or other person authorised to sign it.

37. The instrument appointing a proxy, and the power of attorney or other authority (if any) under which it is signed, or a notarially certified or office copy of such power or authority, shall be deposited at the Office (or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting or in any notice of any adjournment or, in either case, in any accompanying document) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll. The Council members may at their discretion treat a faxed or other machine-made copy of an instrument appointing a proxy as such an instrument for the purposes of this Article 37. An instrument of proxy which is not delivered in accordance with this Article 37 shall be treated as invalid. When two or more valid but differing instruments of proxy are delivered in respect of the same member's vote for use at the same meeting the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that member's vote; if the Association is unable to determine which was last delivered, none of them shall be treated as valid in respect of that member's vote. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.
38. Instruments of proxy shall be in any usual form or in such other form as the Council may approve and the Council may, if it thinks fit, but subject to the provisions of the Companies Acts, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated in it, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
39. A proxy need not be a member.
40. A vote given in accordance with the terms of an instrument of proxy or poll demanded by a proxy or by the duly authorised representative of a member shall be valid notwithstanding the previous revocation of the proxy, the demand for the poll or of the authority under which the proxy was executed, provided that no revocation shall have been received by the Association at the Office (or such other place in the United Kingdom as was specified for the delivery of instruments of proxy in the notice convening the meeting or other accompanying document) not later than the last time at which an instrument of proxy should have been delivered in order to be valid for use at the meeting or on the holding of the poll at which the vote was given or the poll demanded.
41. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
42. No instrument appointing a proxy shall be valid after twelve months have elapsed from the date named in it as the date of its execution.
43. Proper minutes of all proceedings at General Meetings shall be kept by the Secretary, and all resolutions passed at such meetings shall be entered in a Minute Book kept for that purpose. Forthwith after every meeting of the Association the Secretary shall prepare Minutes of the meeting and within thirty days after the meeting, he shall send copies of such minutes to all members for the time being entitled to attend and vote at General Meetings of the Association.

THE MANAGEMENT COMMITTEE

44. Unless and until otherwise determined by the Association in General Meeting, the Management Committee (from hereon referred to as "the Committee") shall, except as otherwise provided in Article 46 below, consist of not more than seven full members. Associate members may not hold office.
45. (a) The first Committee members shall be the existing members of the Management Committee of the unincorporated body known as the European Oilfield Speciality Chemicals Association as at the date of incorporation of the Association and shall hold offices equivalent to that held by them in that body. The term of office of the first Treasurer will expire in the year of incorporation of the Association while that of the first Chairman and Vice-Chairman will expire in the subsequent year.
- (b) The appointment or election of subsequent Committee members shall take place at an Annual General Meeting to be convened during the month of December for the purpose of the elections (the "December Annual General Meeting").
46. At the December Annual General Meeting there shall be appointed to the Committee (provided such members have expressed willingness to be so appointed in accordance with the provisions of this Article) a Chairman, Vice Chairman and/or Treasurer. The Chairman and Vice Chairman will be elected during one December Annual General Meeting and the Treasurer will be appointed the year after or vice versa such that elections for the Committee members are staggered.
- (1) The Chairman of the Association will be elected for a term of two years. At the end of the term, he will retire but would be eligible for election for a second term. At the completion of a second consecutive term of office, he will resign and will not be eligible for election until the following term of two years has expired.
- (2) The Vice Chairman of the Association will be elected for a term of two years. At the end of the term, he will retire but would be eligible for election for a second term. At the completion of a second consecutive term of office, he will resign and will not be eligible for election until the following term of two years has expired.
- (3) The Treasurer of the Association will be elected for a term of two years. At the end of the term, he will retire but would be eligible for election for a second term. At the completion of a second consecutive term of office, he will resign and will not be eligible for election until the following term of two years has expired.
47. (1) The members of the Committee shall be appointed in the following manner:
- (a) Not less than two months before the date of each December Annual General Meeting, the Secretary shall cause to be sent to all full members of the Association a request for information from each Member as to whether or not it is willing to nominate itself for election as a member of the Committee and, if a member is so willing, to notify the name and/or position of its potential Committee Representative. Such information shall be returned to the Secretary within thirty days of the December Annual General Meeting.
- (b) Members of the Committee appointed, re-appointed, elected or re-elected, as the case may be, in accordance with the provisions of Article 46 shall be deemed to have assumed office at the close of such

December Annual General Meeting, or any adjournment thereof, and shall retain office until the close of their term as specified in Article 46 (1), (2) and (3). At the expiry of such term all such members shall retire and the same procedure shall be followed in the year of their retirement.

- (c) Not less than fourteen days before the date of the December Annual General Meeting, ballot lists shall be posted to all members containing the names in alphabetical order of those members who are willing to stand for election to Committee. Each full member who can not attend the December Annual General Meeting may vote by proxy. At the December Annual General Meeting, each full member present may complete the ballot list by placing a cross against each of the names of a number of candidates, thereafter returning the ballot list so completed to reach the Auditors or other scrutineers appointed by the Chairman of the Association, who shall examine the said ballot lists and report the results to the Chairman. For the purpose of arriving at the result of such ballot each cross placed by a member on the said ballot paper shall carry one vote. The Chairman shall announce the result prior to the close of the December Annual General Meeting and the newly-elected members of the Committee shall immediately resume the functions of their respective offices.

48. The Council may from time to time appoint an eligible body corporate as a member of the Council to fill a casual vacancy of a member.
49. Only Full Members of the Association shall be eligible to be members of the Committee.

SECRETARY

50. The Council shall from time to time appoint some person (not being a member of the Council) to the office of Secretary for such term, at such remuneration and upon such terms and conditions as it may think fit; and any Secretary so appointed may be removed by the Council. The provisions of the Companies Acts shall apply and be observed.

DISQUALIFICATION OF MEMBERS OF THE COMMITTEE

51. The office of a member of the Committee shall be vacated in any one of the events following, namely:-
- (1) If it shall resign its office by writing left at the Office.
 - (2) If it ceases to be qualified in accordance with the provisions of Article 49 to be a member of the Committee.
 - (3) If it ceases to be eligible for Membership of the Association under Article 7.
 - (4) If it shall be removed from office pursuant to any provision of these Articles or of the Companies Acts.

POWERS OF THE COMMITTEE

52. The business of the Association shall be managed by the Committee, which may exercise all such powers of the Association, and do on behalf of the Association all

such acts as may be exercised and done by the Association, and as are not by statute or by these Articles required to be exercised or done by the Association in General Meeting subject nevertheless, to any regulation of these Articles, to the provisions of the statutes for the time being in force and affecting the Association, and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Association in General Meeting, but no regulation by the Association in General Meeting shall invalidate any prior act of the Council which would have been valid if such regulation had not been made.

53. The members for the time being of the Committee may act notwithstanding any vacancy in their body.
54. The Committee may exercise all the powers of the Association to borrow or raise money, and to mortgage or charge its undertaking and property, and to issue debentures and other securities, and any such debentures and other securities may be issued at par or at a premium or at a discount.
55. The Committee shall hold a bank account or other such accounts as are deemed necessary and shall nominate signatories to operate such account or accounts. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for moneys paid to the Association shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be, in such manner as the Committee shall from time to time by resolution determine.
56. (1) The Committee may commit the funds of the Association to such investigation, study or project within the objects of the Association as the Council shall deem beneficial to the Industry (hereinafter called "the Project").

Provided that, if the available funds of the Association other than those budgeted for general expenses are not sufficient to meet the costs of the Project the decision whether or not to proceed with the Project shall be put before the members in General Meeting. In the event of not less than one third of the members entitled to vote at General Meetings of the Association approving the Project it shall, upon the Committee notifying all members of the number of members voting in favour of the Project proceed.

- (2) In the event of less than one third of the members entitled to vote at General Meetings of the Association approving the Project then the Project shall not be undertaken by the Association.
 - (3) Any member may propose a Project to the Council for consideration.
 - (4) The right of each member to act individually concerning any matter within the scope of the Council or any committee of the Council shall not be impaired or restricted by any action of the Council and each member shall have the right individually to take such action as it deems advisable whether or not such action conflicts with the action of the Council or the Committee of the Council.
57. The Committee shall from time to time issue to every member a Cash Call in respect of each member's contribution to any of the Association's duly authorised funds provided always that, where pursuant to the proviso to article 56 (1) the costs of financing the Project shall be paid only by those members approving the Project, any Cash Call to finance such costs shall be issued only to those members who have approved the Project. Each member shall within 21 days from the date of the issue of the Cash Call pay to the Association the amount as required in the Cash Call. A member upon whom a Cash Call is issued shall remain liable for all Cash Calls issued to him.

58. A Cash Call may be made payable by instalments and shall be made at any time when the Association so requires to meet its expenditure requirements.

PROCEEDINGS OF THE COUNCIL

59. A full member of the Council shall act by its duly authorised representative appointed in accordance with Article 35 who shall be entitled to speak, vote and in all other respects exercise the rights of a member of the Council on its behalf.
60. A duly authorised representative shall cease to represent any member of the Council in any one of the following events, namely:-
- (1) if he shall cease for any reason to be a director or senior executive of such member;
 - (2) if he shall hold any place of profit under the Association;
 - (3) if he shall become prohibited from acting by reason of any order made under the provisions of the Companies Acts.
61. The Council may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it shall think fit, provided that unless and until otherwise determined by the Council at least four meetings of the Council shall be held in every year. In the event of any vacancy in any of the offices of the members of the Committee, the Council shall as soon as practicable fill the vacancy save that in the event of any vacancy occurring in the office of Chairman, the Vice-Chairman shall automatically become Chairman. Any of such officers shall cease to hold office should they cease, for any reason, to be duly authorised representatives of members of the Council. Unless and until otherwise determined by the Council questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the Chairman shall have a second or casting vote. The Chairman and the Secretary on the requisition of the Chairman or of not less than three members of the Council shall at any time summon a meeting of the Council.
62. (1) The quorum necessary for the transaction of the business of the Council may be fixed by the Council and unless and until so fixed shall be one third of the voting membership.
- (2) Subject to the provisions of these Articles, any Council member who ceases to be a Council member at a Council meeting may continue to be present and to act as a Council member and be counted in the quorum until the termination of the Council meeting if no other Council member objects and if otherwise a quorum would not be present.
- (3) A meeting of the Council at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Council.
63. The Council may delegate any of its powers, authorities and discretions (with power to sub-delegate) other than the power to admit or expel members and the power to determine members' entrance fees, to its Chairman or Vice-Chairman and to such committees as it may think fit, and any committee so formed shall, in the execution of the power so delegated, conform to any regulations imposed on it by the Council. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Council so far as applicable and so far as the same shall not be superseded by any regulations made by the Council as aforesaid provided that a member of any committee need not be a

member of the Council or of the Association and that a committee shall have a membership of at least three members of the Association.

64. All acts *bona fide* done by any meeting of the Council or of any committee or sub-committee of the Council in conformity with the provisions of these Articles, or by any person acting as a member of the Council, shall, notwithstanding it be afterwards that there were some defect in the appointment or continuance in office of any such member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a member of the Council.
65. The Council shall cause proper minutes to be made and circulated to the members of the Council of all appointments of officers made by the Council and of the proceedings of all meetings of the Council and of committees or sub-committees of the Council, and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
66. All or any of the members of the Council or any committee of the Council may participate in a meeting of the Council 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.
67. A resolution in writing signed by all the members for the time being of the Council or any committee or sub-committee of the Council who are duly entitled to receive notice of a meeting of the Council or of such committee or sub-committee shall be as valid and effectual as if it has been passed at a meeting of the Council or of such committee or sub-committee duly convened and constituted. The resolution may be contained in one document or in several documents in like form each executed by one or more of the members of the Council or the committee or sub-committee concerned.

ACCOUNTS

68. The Treasurer shall cause proper books of account to be kept with respect to:-
 - (A) all sums of money received and expended by the Association and the matter in respect of which such receipts and expenditure take place;
 - (B) all sales and purchases of goods by the Association; and
 - (C) the assets and liabilities of the Association.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of affairs of the Association and to explain its transactions.

69. The books of account shall be kept at the Office, or, subject to the Companies Acts, at such other place as the Council shall think fit, and shall always be open to inspection by the members of the Council. The Council may from time to time impose reasonable restrictions as to the time and manner of the inspection by the members, of the accounts and books of the Association or any of them, but, subject to such restrictions,

the accounts and books of the Association shall be open to the inspection of such members at all reasonable times during business hours.

70. The Treasurer of the Association shall present an annual statement of audited accounts to the December Annual General Meeting and other such financial statements as deemed necessary from time to time.

REGISTER OF MEMBERS

71. A Register shall be kept by the Association containing the names and addresses of all the members, together with such other particulars as may be required by the Companies Acts.

NOTICES

72. A notice may be served by the Association upon any member, either personally or by sending it through the post in a prepaid first class letter, addressed to such member at his registered address as appearing in the register of members or by fax or telex to a number provided by the member for this purpose or by leaving it at that address addressed to the member or by any other means authorised in writing by the member concerned.
73. Any notice or other document, if served by post, shall be deemed to have been served on the day following that on which the letter containing the notice is put into the post, and in proving such service or delivery it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post as a prepaid letter. Any notice or other document not sent by post but left at a registered address or sent by fax or telex or other instantaneous means of transmission shall be deemed to have been served or delivered on the day it was so left or sent. Any notice or other document served or delivered by any other means authorised in writing by the member concerned shall be deemed to have been served when the Association has carried out the action it has been authorised to take for that purpose.

DISSOLUTION

74. Clauses 7 and 8 of the Memorandum of Association relating to the winding up and dissolution of the Association shall have effect as if the provisions thereof were repeated in these Articles.

LEGAL PROCEEDINGS

76. No legal proceedings shall be taken by or on behalf of the Association unless they have been previously approved by the Council.

INDEMNITY

77. Subject to the provisions of the Companies Acts, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every member of the Committee, the Secretary, and every other Officer of the Association shall be indemnified out of the funds of the Association against all losses or liabilities which he may sustain or incur in or about the duties of his office or otherwise in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his

favour, or in which he is acquitted, or in connection with any application under the Companies Acts in which relief from liability is granted to him by the Court and, subject as aforesaid, the Association may purchase and maintain for every member of the Council, the Secretary and every other office insurance against any liability which by virtue of any law would attach to him in respect of any negligence, default, breach of duty or breach of trust he may be guilty of in relation to the Association.

We, the subscribers to these Articles, wish to be formed into a Company pursuant to the Memorandum of Association.

Names, Addresses and Descriptions of Subscribers

Ian Innes Still

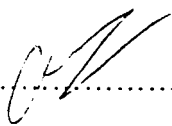
71 St. Rownan's Drive
Peterculter
ABERDEEN
AB14 0RD

Signed by 

Ian Still

Albert Bos

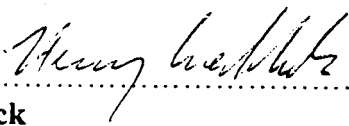
Mariendaal 37
7544 NG Enschede
THE NETHERLANDS

Acting by 

Albert Bos

Henry Craddock

92 Rowan Avenue
Kirriemuir
Angus
DD8 4TD

Acting by 

Henry Craddock

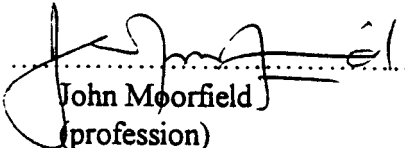
Melanie Clare Thatcher

12 Earns Heugh Circle
Cove Bay
ABERDEEN
AB12 3PY

Acting by 

Melanie Thatcher

Dated the 18 day of March 1997

Witness to the above signatures:- 

John Moorfield
(profession)
5 Solway Close
Ashton-in-Makerfield
Wiggon
Lancs WN4 9RA