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If you are in any doubt about the action you should take, you should seek your own personal financial advice from your stockbroker, bank, solicitor, fund manager or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred your shares in Chamberlin plc, please forward this document to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Chamberlin plc ("**Company**")
Chuckery Road
Walsall
West Midlands
WS1 2DU

4 June 2009

To ordinary shareholders

Dear Shareholder

Annual General Meeting 2009

The 2009 Annual General Meeting of the Company will be held at the Company's Registered Office, Chuckery Road, Walsall on 23 July 2009 at 2.00 p.m. The formal notice of the meeting accompanies this document.

I am writing to give you details of the matter proposed as resolution 9 that will be put before the meeting in relation to the proposed adoption of new articles of association of the Company ("**New Articles**") to replace the Company's existing articles of association ("**Current Articles**") with effect from 1 October 2009.

Resolution 9 is proposed as a special resolution. At least 75% of the votes cast must support the resolution if it is to be passed.

Resolution 9: New Articles of Association

It is proposed in resolution 9 to adopt the New Articles in order to update the Current Articles primarily to take account of changes in English company law brought about by the Companies Act 2006 ("**2006 Act**").

The 2006 Act is being implemented in stages: some of its provisions are already in force and the remaining provisions are proposed to be implemented on 1 October 2009. The New Articles are intended to reflect provisions of the 2006 Act that are already in force and those that will be in force from 1 October 2009.

The principal changes introduced in the New Articles are summarised in the Appendix. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the 2006 Act have not been noted in the Appendix.

The New Articles and a table describing all the material changes to the Current Articles are available for inspection, as noted on page 55 of the accompanying Annual Report and notice of Annual General Meeting.

Recommendation

Your Directors consider that the resolutions set out in the attached notice of Annual General Meeting and, in particular, resolution 9 are in the best interests of the Company and its shareholders as a whole and, accordingly, recommend that you vote in favour of them, as your Directors intend to do in respect of their own beneficial shareholdings.

Action to be taken

Your attention is drawn to the accompanying notice of Annual General Meeting and form of proxy for use in respect of the Annual General Meeting which provide details of all the resolutions proposed to the members for voting on at the Annual General Meeting and details on how you can appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the Annual General Meeting. You will be able to attend and vote at the meeting should you wish to do so.

Yours sincerely

Tom Brown
Chairman

APPENDIX

Explanatory notes of principal changes to the Company's articles of association

The material differences between the Current Articles and the New Articles are summarised below. Changes of a minor, conforming or purely technical nature have not been mentioned specifically.

1. Articles which duplicate statutory provisions

Provisions in the Current Articles which replicate provisions contained in the 2006 Act are in the main removed in the New Articles. This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a Company's constitution. Certain examples of such provisions include provisions as to the form of resolutions, the requirement to keep accounting records and provisions regarding the period of notice required to convene general meetings. The main changes made to reflect this approach are detailed below.

2. Variation of class rights

The Current Articles contain provisions regarding the variation of class rights. The proceedings and specific quorum requirements for a meeting convened to vary class rights are contained in the 2006 Act. The relevant provisions have therefore been amended in the New Articles.

3. Fractions

The Current Articles contain a provision providing that if a consolidation or subdivision of shares results in members being entitled to fractions of shares, the Board can deal with such fractions as it thinks fit, including selling the fractions and distributing the proceeds in proportion among the members. For clarity, this provision has been amended in the New Articles to provide where any member's entitlement to a portion of the proceeds of sale of the fractions amounts to less than £3.00, the Board can distribute that member's proceeds to charity.

4. Convening general meetings

The provisions in the Current Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are being removed in the New Articles because the relevant matters are provided for in the 2006 Act. In particular, the 2006 Act provides that a general meeting (other than an Annual General Meeting) to consider a special resolution can be convened on 14 days' notice whereas previously 21 days' notice was required. In addition, the Chairman of a general meeting no longer has a casting vote.

5. Votes of members

Under the 2006 Act proxies are entitled to vote on a show of hands whereas under the Current Articles proxies are only entitled to vote on a poll. The time limits for the appointment or termination of a proxy appointment have been altered by the 2006 Act so that the articles cannot provide that they should be received:

- more than 48 hours before the meeting or adjourned meeting;
- in the case of a poll taken more than 48 hours after it was demanded, more than 24 hours before the taking of the poll; or
- in the case of a poll taken less than 48 hours after it was demanded, no earlier than the time at which it was demanded.

The New Articles reflect these provisions and give the Directors discretion, when calculating these time limits, to exclude weekends and bank holidays.

In addition, the 2006 Act provides that multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share held by the shareholder. The New Articles reflect this provision.

Under section 323(1) of the 2006 Act, a corporate shareholder can now appoint more than one corporate representative. The Company is aware of concerns that have been raised about the effect of section 323(4) of the 2006 Act, which provides that where multiple corporate representatives of the same corporate shareholder vote differently, the power to vote is treated as not having been exercised. As the New Articles generally avoid duplicating provisions of the 2006 Act, the New Articles do not incorporate or explicitly reflect the terms of section 323(4) of the 2006 Act. The Company intends to take account of best practice to allow, as far as possible, multiple corporate representatives to attend general meetings of the Company and ensure their votes are counted.

6. Age of Directors on appointment

The Current Articles contain a provision limiting the age at which a Director can be appointed. Such provision could now fall foul of the Employment Equality (Age) Regulations 2006 and so has been removed from the New Articles.

7. Notice of Board meetings

Under the Current Articles, a Director can request that notice of Directors' meetings are sent to him at a specified address in the United Kingdom only. This provision has been removed, as modern communications mean that there may be no particular obstacle to giving notice to a Director who is abroad. It has been replaced with a more general provision that a Director is treated as having waived his entitlement to notice, unless he supplies the Company with the information necessary to ensure that he receives notice of a meeting before it takes place.

8. Records to be kept

The provision in the Current Articles requiring the Board to keep accounting records has been removed as this requirement is contained in the 2006 Act.

9. Electronic and web communications

Provisions of the 2006 Act which came into force in January 2007 enable companies to communicate with members by electronic and/or website communications. The New Articles continue to allow communications to members in electronic form and, in addition, they also permit the Company to take advantage of the new provisions relating to website communications. Before the Company can communicate with a member by means of website communication, the relevant member must be asked individually by the Company to agree that the Company may send or supply documents or information to him by means of a website, and the Company must either have received a positive response or have received no response within the period of 28 days beginning with the date on which the request was sent. The Company will notify the member (either in writing, or by other permitted means) when a relevant document or information is placed on the website and a member can always request a hard copy version of the document or information.

10. Conflicts of interest

The 2006 Act sets out directors' general duties which largely codify the existing law but with some changes. Under the 2006 Act, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the Company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation.

Section 175(5)(b) of the 2006 Act allows directors of public companies to authorise conflicts and potential conflicts where the articles of association contain a provision to this effect. The 2006 Act also allows the articles of association to contain other provisions for dealing with directors' conflicts of interest so that the relevant company's directors may avoid breaching their duties. The New Articles give the Directors authority to approve conflicts and potential conflicts of interest and include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards which will apply when Directors decide whether to authorise a conflict or potential conflict. First, only independent Directors (i.e. those who have no interest in the matter being considered) will be able to take the relevant decision and secondly, in taking the decision the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The Directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at Board meetings and availability of Board papers. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the Directors as set out above.

11. Directors' indemnities

The 2006 Act has in some areas widened the scope of the powers of a company to indemnify directors. In particular, a company that is a trustee of an occupational pension scheme can now indemnify a director against liability incurred in connection with the company's activities as trustee of the scheme. This is reflected in the New Articles. The opportunity is also being taken to clarify that, subject to the 2006 Act, the Company may grant indemnities to Directors of associated companies.

The New Articles also contain a provision allowing a Director to vote and be counted in the quorum at a Board meeting in respect of any resolution concerning indemnification (including loans) by the Company in relation to the performance of his or her duties. This clarifies the ability of the Board to adopt indemnities in favour of Directors in accordance with the 2006 Act.

12. Directors' fees

The New Articles increase the aggregate of fees that may be paid to the non-executive Directors of the Company as a whole for their services from £100,000 to £150,000 per annum. The Board believes it is appropriate to recommend an increase in this aggregate limit in view of the continuing increase in the scope and nature of the responsibilities of the Chairman and non-executive Directors. The revised limit is in line with market practice and provides flexibility for the future size and structure of the Board. Shareholders should note that this aggregate limit does not apply to the salaried executive Directors.

13. General

Several statutory references have been amended in the New Articles to take account of the implementation of provisions in the 2006 Act and repeal of corresponding sections of the Companies Act 1985. Some definitions have also been changed and additional definitions added to bring them in line with relevant provisions of the 2006 Act. In addition, other miscellaneous non material changes have been made to reflect current law and practice.

14. The Company's objects

The provisions regulating the operation of the Company are currently set out in the Company's memorandum and articles of association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The 2006 Act significantly reduces the constitutional significance of a Company's memorandum. The 2006 Act provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the Company. Under the 2006 Act, the objects clause and all other provisions which are currently contained in the Company's memorandum will be deemed to be contained in its articles of association, although the Company can remove these provisions by a special resolution.

Further, the 2006 Act states that unless a Company's articles provide otherwise, a Company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason, the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the 2006 Act, are to be treated as forming part of the Company's articles of association as of 1 October 2009. Resolution 9.1 confirms the removal of these provisions. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of the shareholders.

15. Change of name

Currently a company can only change its name by special resolution. From 1 October 2009, a company will be able to change its name by other means provided for by its articles. To take advantage of this provision, the New Articles enable the Directors to pass a resolution to change the Company's name.

16. Authorised share capital and unissued shares

The 2006 Act abolishes the requirement for a company to have an authorised share capital. Resolution 9.1 deletes, with effect from 1 October 2009, all provisions of the Company's memorandum relating to the Company's authorised share capital which are deemed to form part of the Company's articles from that date. The New Articles reflect this and all references to authorised share capital have been removed. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the 2006 Act, save in respect of employee share schemes.

17. Redeemable shares

At present, if a Company wishes to issue redeemable shares, it must include in its articles the terms and manner of redemption. From 1 October 2009, the 2006 Act enables Directors to determine such matters provided they are authorised to do so by the Company's articles. The New Articles contain such an authorisation. The Company has no plans to issue redeemable shares but if it did so the Directors would require shareholders' authority to issue new shares in the usual way.

18. Authority to purchase own shares, consolidate and subdivide shares and reduce share capital

Under the law currently in force a company requires specific enabling provisions in its articles to purchase its own shares, to consolidate or subdivide its shares and to reduce its share capital or other undistributable reserves, as well as shareholder authority to undertake the relevant action. The Current Articles include these enabling provisions. From 1 October 2009, a company will only require shareholder authority to do any of these things and it will no longer be necessary for articles to contain enabling provisions. Accordingly, the relevant enabling provisions have been removed from in the New Articles.

19. Suspension of registration of share transfers

The Current Articles permit the Directors to suspend the registration of transfers. Under the 2006 Act share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

20. Use of seals

A company currently requires authority in its articles to have an official seal for use abroad. From 1 October 2009 such authority will no longer be required. Accordingly, the relevant authorisation is not included in the New Articles.

The New Articles provide an alternative option for execution of documents (other than share certificates). Under the New Articles, when the seal is affixed to a document, it may also be signed by a Director in the presence of a witness, in addition to the current provisions for signature by either a Director and the secretary or two Directors or such other person or persons as the Directors may approve.

21. Vacation of office by Directors

The Current Articles specify the circumstances in which a Director must vacate office. The New Articles update these provisions to reflect the approach taken on mental and physical incapacity in the model articles for public companies produced by the Department of Business, Enterprise and Regulatory Reform.

22. Notices in the event of a postal strike

The opportunity has been taken in the New Articles to clarify the process for giving notice of a meeting during a postal strike by stating that the Company can give such notice by electronic means.