

THE COMPANIES ACT 1948
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
DEW PITCHMASTIC PLC



(as adopted by Special Resolution dated 3 May 1990 and as amended by Special Resolution passed on 11 September 2002)

- 1 The name of the Company is DEW PITCHMASTIC PLC.
- 2 The Company is to be a public company
- 3 The Registered Office of the Company will be situate in England and Wales
- 4 The objects for which the Company is established are:
 - (A) To carry on business as dealers in property and estates, mortgage and insurance brokers, lessees and lessors, business transfer agents, auctioneers, valuers, surveyors, estate agents, bailiffs, bailees, managing agents, estate developers and development agents, builders, painters, decorators, plasterers, bricklayers, plumbers, glaziers and sanitary, heating and general engineers, property managers, letters of unfurnished and furnished houses, flats, rooms, caravans and other housing and business accommodation, carpenters, joiners, cabinet makers, shopfitters and manufacturers of house, shop and office furniture and fittings; and to carry on business of hire purchase, hiring, letting on hire, easy payment systems and payment by instalment finance as applied to any commodities; farmers, landowners, poultry keepers, dairymen, smallholders, corn merchants, seedsmen, nurserymen, pig breeders, cattle dealers, florists, horticulturists, market gardeners, vegetable and fruit growers, beekeepers, greengrocers, grocers and provision merchants, potters, brick and tile makers, sculptors, stonemasons, ironfounders, engineers, metal and alloy makers, refiners and workers, garage proprietors, motor engineers and dealers in all their branches, job masters, ironmongers, hardware dealers and general warehousemen; and to carry on any other trade or business (manufacturing or otherwise) which may, in the opinion of the Company, calculated, either directly or indirectly, to enhance the value of any of the Company's property or assets or the general business of the Company; and to carry on all or any of the said businesses either together as one business or as separate and distinct businesses in any

part of the world, whether as principals, trustees, manufacturers, wholesalers or retailers, agents or otherwise.

- (B) To carry on the business or businesses of exporters and importers of any goods materials or things connected with all or any businesses carried on by the Company at any time, and to clean, grow, sell, buy, exchange, alter, improve, manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, tools, substances, materials and things necessary or convenient for carrying on any such business, whether as principals, agents, trustees, manufacturers, mail order specialists, advertising agents and contractors, hire purchase financiers or otherwise in all their respective branches.
- (C) To carry on any other business of any description which may be capable of being advantageously carried on in connection with or ancillary to the objects of the Company or any of them.
- (D) To purchase, sell, exchange, improve, mortgage, charge, rent, let on lease, hire, surrender, license, accept surrenders of, and otherwise acquire and/or deal with any freehold leasehold or other property, chattels and effects, erect, pull down, repair, alter, develop or otherwise deal with any building or buildings, and adapt the same for the purposes of the Company's business.
- (E) To purchase or otherwise acquire all or any part of the business or assets of any person, firm or company, carrying on or formed to carry on any business which this Company is authorised to carry on or possessed of property suitable to the purposes of this Company and to pay cash or to issue any shares, stocks, debentures or debenture stock of this Company as the consideration for such purchase or acquisition and to undertake any liabilities or obligations relating to the property or business so purchased or acquired.
- (F) To apply for, purchase or otherwise acquire any patents, licenses or concessions which may be capable of being dealt with by the Company, or be deemed to benefit the Company, and to grant rights thereout.
- (G) To sell, let, license, develop or otherwise deal with the undertaking, or all or any part of the property or assets of the Company, upon such terms as the Company may approve, with power to accept shares, debentures or securities of, or interest in, any other company.
- (H) To invest and deal with the moneys of the Company not immediately required for the purposes of the Company in or upon such securities and subject to such conditions as may seem expedient.

- (I) To lend money to such persons, upon such terms and/or security and subject to such conditions as may be desirable.
- (J) To guarantee the payment of any debentures, debenture stock, bonds, mortgages, charges, obligations, interest dividends, securities, moneys or shares or the performance of contracts or engagements of any other company or person, and to give indemnities and guarantees of all kinds and to enter into partnership or any joint purse arrangement with any person, persons, firm or company, having for its objects similar objects to those of this Company or any of them.
- (K) To borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock, charged upon all or any of the Company's property, both present and future, including its uncalled capital, and to re-issue any debentures at any time paid off.
- (L) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, debentures, warrants and other negotiable documents.
- (M) To purchase, subscribe for, or otherwise acquire and hold shares, stocks or other interest in, or obligations of any other company or corporation.
- (N) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place any of the shares in the Company's capital or any debentures, debenture stock or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business.
- (O) To pay out of the funds of the Company all costs and expenses of or incidental to the formation and registration of the Company and the issue of its capital and debentures including brokerage and commission.
- (P) To promote or aid in the promotion of any company or companies for the purpose of acquiring all or any of the property rights and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to advance the interests of this Company.
- (Q) To establish and support and aid in the establishment and support of funds or trusts calculated to benefit directors or ex-directors, employees or ex-employees of the Company or the dependents or connections of such person and to grant pensions and allowances to any such persons.
- (R) To distribute any property of the Company in specie among the members.

- (S) To provide, and to establish and maintain or concur in establishing and maintaining, trusts, funds, schemes, clubs or other arrangements with a view to providing employees' share schemes (within the meaning of section 743 of the Companies Act 1985) including, but not limited to, profit sharing, share option and share purchase schemes to or for the benefit of officers, ex-officers, employees or ex-employees of the Company or of any company which is for the time being or has at any time been the Company's holding company or a subsidiary of the Company or another subsidiary of that holding company of any such company or the dependants or relatives of any such persons; and to provide or lend money or provide other financial assistance in accordance with or for the purposes of such arrangements.
- (T) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

It is declared that the foregoing sub-clauses shall be construed independently of each other and none of the objects therein mentioned shall be deemed to be merely subsidiary to the objects contained in any other sub-clause.

- 5 The liability of the members is limited.
- 6 The Share Capital of the Company is £100, divided into 100 shares of £1 each with power to increase or to divide the shares in the capital for the time being, into different classes, having such rights, privileges and advantages as to voting and otherwise, as the Articles of Association may from time to time prescribe.

NOTES:

- 1 By Ordinary Resolution passed on the 26th day of July 1967 the capital of the Company was increased to £2,500 divided into 2,500 shares of £1 each.
- 2 By Special Resolution passed on the 21st day of December 1983, the capital of the Company was increased to £20,000 divided into 20,000 shares of £1 each.
- 3 By Ordinary Resolution passed on the 29th day of June 1984 the capital of the Company was increased to £52,500 divided into 30,000 ordinary shares of £1 each and 22,500 7% Cumulative Preference Shares of £1 each.
- 4 By Ordinary Resolution passed on the 7th day of March 1990 the capital of the Company was increased to £627,500 divided into 605,000 Ordinary Shares of £1 each and 22,500 7% Cumulative Preference Shares of £1 each.
- 5 By Special Resolution passed on the 21st May 1990 the 22,500 7% Cumulative Preference Shares of £1 each were converted into Ordinary Shares of £1 each.

- 6 By Ordinary Resolution passed on the 21st May 1990 the capital of the Company was increased to £1,727,500 divided into 627,500 Ordinary Shares of £1 each and 1,100,000 6% Cumulative Convertible Redeemable Preference Shares of £1 each.
- 7 By Special Resolution passed on the 28th April 1992 the capital of the Company was increased to £2,527,500 divided into 627,500 Ordinary Shares of £1 each, 1,100,000 6% Cumulative Convertible Redeemable Preference Shares of £1 each and 800,000 10% Cumulative Redeemable Preference Shares of £1 each.
- 8 By Special Resolution passed on the 21st June 1994 the capital of the Company was increased to £3,125,036 divided into 787,500 Ordinary Shares of £1 each, 1,100,000 6% Cumulative Convertible Redeemable Preference Shares of £1 each, 640,000 10% Cumulative Redeemable Preference Shares of £1 each and 597,536 6% Cumulative Convertible Redeemable Preference Shares (1994) of £1 each.
- 9 By Special Resolution passed on the 6th November 1998, following the redemption of 1,100,000 6% Cumulative Convertible Redeemable Preference Shares of £1 each and 400,000 10% Cumulative Redeemable Preference Shares of £1 each, the resulting Unclassified Shares were converted into 1,500,000 Ordinary Shares of £1 each.

WE, the several persons whose names, addresses and descriptions are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NO. OF SHARES TAKEN BY EACH SUBSCRIBER
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JEAN HERBERT 156 Strand London WC2 Company Director	ONE
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THOMAS ARTHUR HERBERT, LLB 156 Strand London WC2 Barrister at Law	ONE
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Dated the 5th day of December 1961

Witness to the above Signatures:

ROBERT LITTLE
19 Walker Street
Edinburgh 3
Secretary

Certified Copy
Manohar
Secretary

THE COMPANIES ACTS 1985 TO 1989
PUBLIC COMPANY LIMITED BY SHARES
NEW
ARTICLES OF ASSOCIATION

- of -

DEW PITCHMASTIC PLC

(Adopted by Special Resolution passed on 6 November 1998
as amended by Special Resolution passed on 11 September 2002)

PRELIMINARY

- 1 Subject as hereinafter provided the Regulations contained or incorporated in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 as amended by The Companies (Tables A to F) (Amendment) Regulations 1985 (hereinafter referred to as "Table A") shall apply to the Company save in so far as they are varied or excluded by or are inconsistent with these Regulations.
- 2 Regulations 2, 24, 40, 41, 54, 64 to 69 (inclusive), 88, 89, 94 to 96 (inclusive) and 118 of Table A shall not apply to the Company.

SHARE CAPITAL

- 3 The share capital of the Company at the date of adoption of this Article is £3,125,036 divided into 3,125,036 Ordinary Shares of £1 each ("the Ordinary Shares").

VARIATION OF RIGHTS

- 4 If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holder or holders of three-fourths of the issued shares of that class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class. To every such separate General Meeting the provisions of these Articles relating to General Meetings shall mutatis mutandis apply, but so that the necessary quorum at any such Meeting (other than an adjourned Meeting) shall be two persons holding or representing by proxy at least one third in nominal value of the issued shares of that class in question and (at an adjourned meeting) one person holding shares of the class in question or his proxy, and that any holder of shares of the class in question present in person or by proxy may demand a poll.

LIEN

- 5 The lien conferred by regulation 8 in Table A shall attach to all shares registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders.

TRANSFERS OF SHARES

- 6 (1) Subject to the provisions of Article 10 any shares may at any time be transferred:
- (a) by any individual member (not being in relation to the shares concerned a holder thereof as a trustee of any Family Trusts) to a Privileged Relation of such member; or
 - (b) by any such individual member to trustees to be held upon Family Trusts related to such individual member; or
 - (c) by any such individual member to a Family Company of such member; or
 - (d) by any member being a company to a member of the same Group as the Transferor Company; or
 - (e) by any person entitled to shares in consequence of the death or bankruptcy of an individual member to any person to whom such individual member, if not dead or bankrupt, would be permitted hereunder to transfer the same; or
 - (f) by the trustee(s) of any employee share ownership trust established by the Company from time to time for the benefit of, inter alia, employees or ex-employees of the Company and their dependents, to any beneficiary (as defined in the relative trust deed) of such trust.
- (2) Where shares have been transferred under paragraph (1)(b) or (1)(e) of this Article or under sub-paragraph (a) or (b) of this paragraph to trustees of Family Trusts, the trustees and their successors in office may transfer all or any of the Relevant Shares as follows:
- (a) on any change of trustees, the Relevant Shares may be transferred to the trustees for the time being of the Family Trusts concerned;
 - (b) pursuant to the terms of such Family Trusts or in consequence of the exercise of any power or discretion vested in the trustees thereof or any other person, all or any of the Relevant Shares may at any time be transferred to the

trustees for the time being of any other trusts being Family Trusts in relation to the same individual member or deceased or former member;

- (c) on the total or partial termination of or pursuant to the terms of the Family Trusts concerned or in consequence of the exercise of any such power or discretion as aforesaid, all or any of the Relevant Shares may at any time be transferred to the relevant member or former member or any Privileged Relation of the relevant member or deceased or former member who has thereby become entitled to the shares proposed to be transferred.

If and whenever any of the Relevant Shares come to be held otherwise than upon Family Trusts, except in circumstances whereunder a transfer thereof is authorised to be and is to be made to the person or persons entitled thereto, it shall be the duty of the trustees holding such shares to notify the Directors in writing that such event has occurred and the trustees shall be bound, unless otherwise unanimously resolved by all of the Directors, to give a transfer notice (as defined in the next following Article) in respect of the Relevant Shares concerned (but so that the right of cancellation conferred by paragraph (2) of the next following Article shall not apply).

- (3) If the Family Company of an individual member ceases to be the Family Company of such member, it shall be the duty of the Family Company to notify the Directors in writing that such event has occurred and (unless the Relevant Shares are thereafter transferred to the individual member in question or to another Family Company of such member, any such transfer being deemed to be authorised under the foregoing provisions of this Article) the Family Company shall be bound, unless otherwise unanimously resolved by all of the Directors, to give a transfer notice (as defined in the next following Article) in respect of the Relevant Shares (but so that the right of cancellation conferred by paragraph (2) of the next following Article shall not apply).
- (4) If a Transferee Company ceases to be a member of the same Group as the Transferor Company from which (whether directly or by a series of transfers under paragraph (1) (d) of this Article) the Relevant Shares were derived, it shall be the duty of the Transferee Company to notify the Directors in writing that such event has occurred and (unless the Relevant Shares are thereupon transferred to the Transferor Company or a member of the same Group as the Transferor Company, any such transfer being deemed to be authorised under the foregoing provisions of this Article) the Transferee Company shall be bound, unless otherwise unanimously resolved by all of the Directors, to give a transfer notice (as defined in the next following Article) in respect of the Relevant Shares (but

so that the right of cancellation conferred by paragraph (2) of the next following Article shall not apply).

(5) For the purposes of this Article:

- (a) (i) the expression "Privileged Relation" as regards any particular individual member or deceased or former individual member, means and includes the husband or wife or any former husband or wife or the widower or widow of that individual and all the lineal descendants in direct line of that individual and for the purposes aforesaid a step-child or adopted child or illegitimate child or any person shall be deemed to be a lineal descendant of such person;
- (ii) the expression "Family Trusts", as regards any particular individual member or deceased or former individual member, means trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than that individual and/or Privileged Relations of that individual and so that for the purposes aforesaid a person shall be deemed to be beneficially interested in a share if such share or the income thereof is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are or may become liable to be exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;
- (b) (i) the word "company" includes any body corporate;
- (ii) the expression "Family Company", in relation to any individual member, means a company the whole or not less than 75 per cent of the issued share capital of which is beneficially owned by such member and/or one or more Privileged Relations of such member and/or the trustees of any Family Trusts related to such member;

- (iii) the expression "a member of the same Group", as regards any company, means a company which is for the time being a holding company or a subsidiary of that company or of any such holding company;
 - (iv) the expression "Transferor Company" means a company (other than a Transferee Company) which has transferred or proposes to transfer shares to a member of the same Group; and
 - (v) the expression "Transferee Company" means a company for the time being holding shares in consequence, directly or indirectly, of a transfer or series of transfers of shares between members of the same Group (the relevant Transferor Company in the case of a series of such transfers being the first transferor in such series);
- (c) the expression "the Relevant Shares" means and includes (so far as the same remains for the time being held by the trustees of any Family Trusts or by any Family Company or by any Transferee Company) the shares originally transferred to such trustees or Family Company or Transferee Company by way of capitalisation or acquired by such trustees or Family Company or Transferee Company in exercise of any right or option granted or arising by virtue of the holding of the Relevant Shares or any of them or the membership thereby conferred.

7 Except in the case of a transfer of shares expressly authorised by Article 6 and subject to the provisions of Articles 9 and 10 the right to transfer shares shall be subject to the following restrictions:-

- (1) Every member who desires to transfer any share or shares or any interest therein (hereinafter called "the Vendor") shall give to the Company notice in writing of such desire (hereinafter called "a transfer notice"). No transfer notice shall relate to more than one class of shares. Subject as hereinafter mentioned, a transfer notice shall constitute the Company the Vendor's agent for the sale of the share or shares specified therein (hereinafter called "the said shares") in one or more lots at the discretion of the Directors to the members holding Ordinary Shares ("relevant members") other than the Vendor at a price to be agreed upon by the Vendor and the Directors, or, in the case of difference, at the price which an accountant nominated by agreement between the Vendor and the Company, or, in default of such agreement, by the President for the time being of the Institute of Chartered Accountants in England and Wales, shall by writing under his hand certify to be in his opinion the fair value thereof as between a willing seller and a willing buyer

(ignoring the fact, if that be the case, that the said shares constitute a minority interest). Such accountant shall act as expert and not as arbitrator in so certifying and his decision shall be final; provided that if the said shares are the subject of a bona fide offer by any person (whether or not a member of the Company) then the price agreed or certified as aforesaid shall not be less than the sum per share (if any) specified in that offer. The transfer notice may contain a provision that unless all or not less than a specified number of the said shares are sold by the Company to a member or members pursuant to this Article, none shall be so sold and any such provision shall be binding on the Company. The transfer notice may also contain similar provisions applicable in the event that all or some of the shares comprised in any other transfer notice or notices served by the same member on the same date are not sold by the Company to a member or members pursuant to this Article; if such provisions are incorporated all the transfer notices concerned shall (for the purposes of paragraph (6) of this Article only) be treated as one transfer notice comprising together the shares comprised in each such transfer notice.

- (2) If an accountant is asked to certify the fair value as aforesaid, his certificate shall be delivered to the Company and as soon as the Company receives the certificate it shall furnish a certified copy thereof to the Vendor and the Vendor shall be entitled, within ten days of the service upon him of the said certified copy, to cancel the Company's authority to sell the said shares. The cost of obtaining the certificate shall be borne by the Company unless the Vendor shall give notice of cancellation as aforesaid, in which case he shall bear the said cost.
- (3) Upon the price being fixed as aforesaid and provided the Vendor shall not give notice of cancellation as aforesaid the Company shall forthwith by notice in writing inform each relevant member other than the Vendor of the number and price of the said shares and invite each such relevant member to apply in writing to the Company within two months of the date of despatch of the notice (which date shall be specified therein) for the maximum number of the said shares (being all or any thereof) as he shall specify in such application.
- (4) If the said relevant members shall within the said period of two months apply for all (or where the transfer notice so provides not less than the specified number) of the said shares the Company shall allocate the said shares (or so many of them as shall be applied for as aforesaid) to and amongst the applicants and in the case of competition pro rata according to the number of Ordinary Shares in respect of which they are registered or unconditionally entitled to be registered as holders provided that no applicant shall be obliged to take more than the maximum number of shares specified by him as aforesaid. The Company shall forthwith give notice of such

allocation ("an allocation notice") to the Vendor and the persons to whom the shares have been allocated and shall specify in such notice the place and time (being not earlier than 14 days and not later than 28 days after the date of the notice) at which the sale of the shares so allocated shall be completed.

- (5) The Vendor shall be bound to transfer the shares comprised in an allocation notice to the purchasers named therein at the time and place specified therein; if he shall fail to do so, the Chairman of the Company or some other person appointed by the Directors shall be deemed to have been appointed attorney of the Vendor with full power to execute, complete and deliver, in the name and on behalf of the Vendor, transfers of the shares to the purchasers thereof against payment of the price to the Company. On payment of the price to the Company the purchaser shall be deemed to have obtained a good quittance for such payment and on execution and delivery of the transfer the purchaser shall be entitled to insist upon his name being entered in the Register of Members as the holder by transfer of the shares. The Company shall forthwith pay the price into a separate bank account in the Company's name and shall hold such price in trust for the Vendor.
- (6) If the Company shall not within the said period of two months find relevant members willing to purchase all of the said shares (or such lesser specified number as may be stated in the transfer notice) they shall so inform the Vendor by notice in writing as soon as it shall appear that such purchasers will not be found and in any event at the expiration of such period and the Vendor at any time within four months after the date on which the said offer is made shall be at liberty to transfer all the shares comprised in the transfer notice to any person on a bona fide sale at any price not being less than the price fixed under paragraph (1) of this Article; provided that the Directors may require to be satisfied that such shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument of transfer. If a transfer notice shall state such lesser specified number of shares as aforesaid and if the Company shall find relevant members willing to purchase such number of shares and shall so inform the Vendor as aforesaid he shall be at liberty to transfer all the shares included in the transfer notice for which the Company shall not have found purchasers as aforesaid on the terms mentioned above in this paragraph.
- (7) Where the Company shall have found a relevant member or members willing to purchase and through no default of the Vendor any purchase is not duly completed the Directors shall forthwith notify the purchaser or all the purchasers as the case may be, and if within seven days of such notice being given the purchaser or the purchasers between them shall not have duly completed the

purchase of the shares in respect of which there has been default in completion, the Vendor shall be entitled to sell such shares to any person on the terms mentioned in paragraph (6).

- (8) A person entitled to a share in consequence of the death, bankruptcy, receivership or liquidation of a member shall be bound at any time, if and when called upon in writing by the Directors so to do, to give a transfer notice in respect of all the shares then registered in the name of the deceased or insolvent member unless such person be, or shall within 90 days of becoming so entitled transfer such shares to, a person to whom shares may be transferred pursuant to Article 6 hereof (but so that the right of cancellation conferred by paragraph (2) of this Article shall not apply). Regulations 29 to 31 of Table A shall take effect accordingly.
- (9) For the purpose of ensuring that a transfer of shares is duly authorised hereunder or that no circumstances have arisen whereby a transfer notice is required to be given hereunder the Directors may from time to time require any member or past member or the legal personal representatives or trustee in bankruptcy, receiver or liquidator of any member or any person named as transferee in any instrument of transfer lodged for registration to furnish to the Company such information and evidence as the Directors may reasonably think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within a reasonable time after request, the Directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a transfer notice be given in respect of the shares concerned. If such information or evidence discloses that in the reasonable opinion of the Directors a transfer notice ought to have been given in respect of any shares the Directors may by notice in writing require that a transfer notice be given in respect of the shares concerned.
- (10) In any case where under the provisions of these presents the Directors may require a transfer notice to be given in respect of any shares, if a transfer notice is not duly given within a period of two weeks of demand being made, a transfer notice shall, except and to the extent that an instrument of transfer of any such shares in favour of a person to whom they may be transferred pursuant to Article 6 hereof shall have been lodged prior to the expiration of the said period, be deemed to have been given at the expiration of the said period. In any such case as aforesaid the provisions of these presents shall take effect (but so that the right of cancellation conferred by paragraph (2) of this Article shall not apply).
- 8 (1) Notwithstanding anything in these Articles contained no sale or transfer of any Ordinary Shares (hereinafter called "the specified shares") to any person or persons (not being a member or members

of the Company on the date of adoption of these Articles) which would result (if made and registered) in such person or persons (and any person or persons acting in concert with him or them) obtaining control of the Company (within the meaning of Section 840 Income and Corporation Taxes Act 1988) shall be made or registered unless before the transfer is lodged for registration the proposed transferee or transferees or his or their nominees has or have made a written offer (stipulated to be open for acceptance in England for a period of not less than twenty eight days and with adequate security as to the performance of its obligation) to all the holders of shares in the capital of the Company to purchase all such shares at the specified price (as hereinafter defined) and completes the purchase of all shares in respect of which such offer is accepted at the same time as he completes the purchase of the specified shares.

(2) For the purpose of this Article:

- (a) the expressions "transfer", "transferor" and "transferees" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renounee under any such letter of allotment;
- (b) the expression "the specified price" shall mean in the case of the Ordinary Shares a price per share at least equal to the highest price per share offered or paid or payable by the proposed transferee or transferees or his or their nominees for the specified shares (or for any shares acquired by the same transferee or transferees (and any person or persons acting in concert with him or them) in that or any related transaction) plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified shares (or any such shares as aforesaid) which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the specified shares (or any such shares as aforesaid) and in the event of disagreement the calculation of the specified price shall be referred to an independent chartered accountant (acting as expert and not as arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall be final and binding;
- (c) the expression "persons acting in concert" shall mean any person or persons who pursuant to an agreement or understanding (whether formal or informal) actively co-operate with each other through the acquisition by any of them of shares in the Company to obtain control of the

Company and, without prejudice to the generality of the foregoing, the following persons shall for the purposes of this Article be deemed to be persons acting in concert with a transferee namely:

- (i) if the transferee is a body corporate, any director of or shareholder in the transferee or any person who in relation to such director or shareholder is a connected person;
 - (ii) any person who in relation to the transferee is a connected person; and
 - (iii) if the transferee is a body corporate, any body corporate which in relation to the transferee is a subsidiary a holding company a subsidiary of a holding company or an associated company;
- (d) whether any person is a "connected person" shall be determined in accordance with Section 839 Income and Corporation Taxes Act 1988 (provided that a person shall not be deemed to be connected with another person for this purpose by reason only that they are both shareholders of the Company);
- (e) the expressions "subsidiary" and "holding company" shall have the meanings ascribed to them respectively by Section 736 of the Act;
- (f) the expression "associated company" means a body corporate in which a transferee or any subsidiary of a transferee holds shares conferring the right to 10 per cent. or more of the votes which could be cast on a poll at a general meeting of such body corporate and which is not a subsidiary.

9 The restrictions applying by virtue of the provisions of Articles 7 and 8 hereof to the transfer of shares in the capital of the Company shall not so apply if all the members for the time being shall otherwise agree in writing.

10 (1) The Directors may, in their absolute discretion, and without assigning any reason therefor, decline to register any transfer of any share over which the Company has a lien. They may also refuse to register a transfer unless:

- (a) It is lodged at the office or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

- (b) It is in respect of only one class of shares;
 - (c) It is in favour of not more than four transferees.
- (2) The Directors shall decline to register any transfer of any share other than a transfer of a share in the Company made in accordance with the requirements of Articles 6 to 9 hereof.

ALTERATION OF CAPITAL

- 11 The Company may from time to time by Special Resolution (but subject to the provisions of Article 26) whether or not all the shares for the time being authorised shall have been issued increase its capital by the creation of new shares of such amount as may be deemed expedient.
- 12 Save with the prior sanction of a Special Resolution all shares in the capital of the Company which may for the time being be unissued shall only be issued as Ordinary Shares of the same nominal value and ranking *pari passu* with the Ordinary Shares of the Company for the time being in issue and shall before being issued be offered to the members for the time being of the Company *pro rata* as nearly as may be to the numbers of Ordinary Shares held by them respectively. Any such offer shall be made by written notice from the Directors specifying the number and price of the shares on offer and shall invite each of such holders to state in writing within a period not being less than twenty one days whether he is willing to take any and, if so, what maximum number of the shares on offer. At the expiration of the time limited by the notice the Directors shall allot the shares on offer to or amongst the persons who shall have notified to the Directors their willingness to take any shares and *pro rata*, as nearly as may be, to the numbers of Ordinary Shares held by such persons respectively (on the assumption aforesaid) at the date of the offer, but so that no person shall be obliged to take more than the maximum number of shares so notified by him as aforesaid. Provided that nothing in this Article 12 shall prohibit the issue of up to 1,500 Ordinary Shares pursuant to Clause 2(1)(g) and up to 300 Ordinary Shares pursuant to Clause 2(1)(h) of a Subscription and Shareholders Agreement dated 21st May, 1990 and made between J.H. Grayson and Others (1) Electra Investment Trust PLC (2) the Company (3) Gartmore Investment Limited (4) London & Strathclyde Trust plc (5) English & Caledonian Investment plc (6) and Yorkshire Venture Capital Fund (7) ("the Subscription and Shareholders Agreement").
- 13 In Regulation 32 of Table A the words "Special Resolution" shall be deemed to be substituted for the words "Ordinary Resolution".
- 14 The Company may, subject to the provisions of Article 26 hereof and subject to and in accordance with the provisions of the Act):
- (1) Issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder.

- (2) Purchase its own shares (including any redeemable shares).

GENERAL MEETINGS

- 15 (1) Subject as provided in paragraph (3) of this Article the quorum necessary for the transaction of business at any general meeting must include each member holding not less than 20 per cent. in nominal value of the issued equity share capital of the Company at the date of the notice convening the meeting (a "20 per cent. Shareholder") and (subject thereto) shall be two members present in person or by proxy.
- (2) If at any general meeting duly convened in accordance with the provisions of these Articles and of the Act a quorum as defined in paragraph (1) of this Article shall not be present then the meeting shall be adjourned to the date 28 days after the date for which the original meeting was convened, at the same time and place, and notice of the adjourned meeting shall be given in the same manner and to the same persons as the notice of the original meeting.
- (3) If at any such adjourned meeting as is referred to in paragraph (2) of this Article a quorum as defined in paragraph (1) of this Article is not present within half an hour from the time appointed for the adjourned meeting then the members present at such meeting shall constitute a quorum.
- 16 In regulation 50 of Table A there shall be inserted after the word "shall" and before the words "be entitled" the word "not".

DIRECTORS

- 17 (1) Unless and until the Company by Special Resolution shall otherwise determine, the number of Directors shall not be less than 2 nor more than 12.
- (2) No Director shall vacate or be required to vacate his office as a Director on or by reason of his attaining or having attained the age of 70 or any other age and any Director or any person may be re-appointed, or appointed, as the case may be, as a Director notwithstanding that he has then attained the age of 70, and no special notice need be given of any resolution for the re-appointment or appointment, or approval of the appointment of a Director at any age, and it shall not be necessary to give the members notice of the age of any Director or person proposed to be so re-appointed or appointed; and Section 293 of the Act shall be excluded from applying to the Company.

PROCEEDINGS OF DIRECTORS

- 18 (1) The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.
- (2) All business arising at a meeting of the Directors shall be determined only by resolution. The Chairman shall not be entitled to a second or casting vote.
- (3) A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Not less than seven days' notice of every meeting of the Directors shall be given to all Directors unless notice of the Meeting shall have been waived by all the Directors.
- (4) Any director may vote on, and count in the quorum present at a meeting in relation to, a resolution concerning a matter in which he has, directly or indirectly, an interest, notwithstanding that that interest conflicts or may conflict with that of the Company.
- 19 (1) Subject as provided in paragraphs (3) and (4) of this Article the quorum necessary for the transaction of the business of the Directors must include each Nominated Director (as defined in Article 26 hereof) for the time being appointed and holding office (or his alternate) and (subject thereto) shall be two Directors.
- (2) If at any meeting duly convened in accordance with the provisions of these Articles and of the Act a quorum as defined in paragraph (1) of this Article shall not be present then the meeting shall be adjourned to the date 7 days after the date for which the original meeting was convened, at the same time and place, and notice of the adjourned meeting shall be given in the same manner and to the same persons as the notice of the original meeting.
- (3) If at any such adjourned meeting as is referred to in paragraph (2) of this Article a quorum as defined in paragraph (1) of this Article is not present within half an hour from the time appointed for the adjourned meeting then the Directors present at such meeting shall constitute a quorum.
- (4) A quorum shall be deemed to be present at any particular meeting notwithstanding the absence from that meeting of any Nominated Director (or his alternate) if the absent Director shall have given notice in writing to the Company prior to the date of that meeting of his intention to waive the requirements of paragraph (1) of this Article in relation to that meeting.
- (5) Any Director enabled to participate in the proceedings of a meeting by means of a communication device (including a telephone) which allows all the other Directors present at such meeting (whether in

person or by proxy or by means of such type of communication device) to hear at all times such Director and such Director to hear at all times all other Directors present at such meeting (whether in person or by proxy or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.

- 20 The Board of Directors of the Company shall determine the general policy of the Company and its subsidiaries and the scope of their activities and operations and reserve to itself all matters involving major or unusual decisions material to the business as a whole.
- 21 Each of the Directors appointed by a 20 per cent. Shareholder shall have the power by writing under his hand to appoint any person approved by the Board (such approval not to be unreasonably withheld or delayed) to act as his alternate. On such appointment being made the alternate Director shall, except as regards remuneration and the power to appoint an alternate, be subject in all respects to the rights, terms and conditions existing with reference to the other Directors of the Company and each alternate Director, while so acting, shall exercise all the functions, powers and duties of the Director whom he represents. An alternate Director may be paid the same fee (if any) for attending meetings of Directors or of a committee of Directors as would be payable to the Director whom he represents but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration from the Company. Any Director of the Company who is appointed an alternate Director shall be entitled to vote at a meeting of the Directors on behalf of the Director so appointing him as distinct from the vote to which he is entitled in his own capacity as a Director of the Company and shall also be considered as two Directors (but in no circumstances shall he be considered as more than two Directors) for the purpose of making a quorum of Directors when such quorum shall exceed two. An alternate Director shall ipso facto cease to be an alternate Director for his appointor if his appointor shall cease for any reason to be a Director. A Director may at any time revoke the appointment of an alternate appointed by him and appoint another person in his place.
- 22 The Directors may from time to time appoint any person to an office or employment having a designation or title including the word "Director" or attach to any existing office or employment with the Company such a designation or title. The inclusion of the word "Director" in the designation or title of any office or employment with the Company (other than the office of Managing or Joint Managing or Deputy or Assistant Managing Director) shall not imply that the holder thereof is a Director of the Company nor shall such holder thereby be empowered in any respect to act as a Director of the Company or be deemed to be a Director for any of the purposes of these presents.

BORROWING POWERS

- 23 (1) Subject as hereinafter provided, the Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking property and uncalled capital or any part thereof and to issue debentures and other securities whether outright or as security (principal or collateral) for any debt liability or obligation of the Company or any third party.
- (2) The aggregate amount owing by the Company and all its subsidiaries in respect of moneys borrowed by them or any of them (exclusive of moneys owing by the Company to any of its subsidiaries or by any of its subsidiaries to the Company or another of its subsidiaries) shall not at any time without the previous sanction of the Company in General Meeting exceed an amount equal to four times the aggregate of:
- (A) the amount paid up on the issued share capital of the Company; and
 - (B) the amounts standing to the credit of the capital and revenue reserves (including any share premium account and capital redemption reserve) of the Company and its subsidiaries plus or minus any credit or debit balance on profit and loss account all as shown in a consolidation of the then latest balance sheets of the Company and its subsidiaries but after:
 - (i) making such adjustments as may be appropriate in respect of any variation in the interest of the Company in subsidiaries and in such paid up share capital and reserves since the dates of the relevant balance sheets;
 - (ii) deducting the amount of any distributions not attributable to the Company out of profits (whether of a capital or revenue nature) accrued prior to the dates of such balance sheets which may be made, declared, or recommended since such dates and are not provided for therein;
 - (iii) deducting amounts attributable to goodwill or other intangible items;
 - (iv) excluding any amount set aside for taxation (including deferred taxation) and amounts attributable to any minority interests in subsidiaries;

- (v) deducting (if not otherwise excluded) such amount as may be appropriate in respect of any contingent liability to taxation on the amount by which any asset of the Company or any of its subsidiaries has been written up.
- (3) For the purposes of this Article the expression "moneys borrowed" includes the following except in so far as otherwise taken into account:
 - (A) the principal amount (together with any fixed or minimum premium payable on final repayment) owing by the Company or any of its subsidiaries under any debenture, debenture stock, bond or other security whether constituting a charge over the assets of such company or not, and whether issued for cash or otherwise;
 - (B) the principal amount owing by the Company or any of its subsidiaries under any acceptance credit opened on its behalf by any bank, acceptance house or finance company other than acceptance relating to the purchase or sale of goods in the usual course of trading;
 - (C) the principal amount owing by the Company or any of its subsidiaries in respect of any loan or advance from, or overdraft facility with, any bank, acceptance house or finance company;
 - (D) the principal amount owing by the Company or any of its subsidiaries under or in respect of any hire purchase agreement conditional sale agreement or other agreement of a similar nature;
 - (E) any special credit facilities from suppliers (which shall mean inter alia all trade credit in excess of 90 days granted to or taken by the Company or any of its subsidiaries);
 - (F) the nominal amount of any issued share capital and the principal amount of any borrowings (together, in each case, with any fixed or minimum premium payable on final repayment) the repayment of which is guaranteed or secured or is the subject of any indemnity given by the Company or any of its subsidiaries and the beneficial interest in which is not owned by the Company or another of its subsidiaries;
 - (G) the nominal amount (including any fixed or minimum premium payable on final repayment) of any issued share capital, other than equity share capital, of any subsidiary of the Company the beneficial interest in which is not owned

by the Company or another of its subsidiaries but shall not include:

- (a) borrowings which are made for the express purpose of repaying the whole or any part of moneys borrowed falling to be taken into account for the purpose of this Article (including any fixed or minimum premium payable on final repayment) and which are applied for that purpose within one month of being first borrowed (in which event they shall be treated as moneys borrowed falling to be taken into account for the purpose of this Article);
- (b) a proportion of the borrowings of any partly owned subsidiary (but only to the extent that an amount equivalent to such proportion exceeds the amount of any borrowings from such partly owned subsidiary by the Company or another of its subsidiaries) such proportion being the proportion of the issued equity share capital of such partly owned subsidiary the beneficial interest in which is not owned directly or indirectly by the Company or another of its subsidiaries;
- (c) borrowings by the Company or any of its subsidiaries for the purpose of financing any contract for the sale of goods to the extent that the purchase price receivable under such contract is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade or any other governmental institution carrying on similar business

and so that:

- (i) moneys borrowed and outstanding in a currency other than sterling shall be converted into sterling at the London spot buying rate for such currency as quoted at about 11 a.m. on the day on question by Lloyds Bank plc;
 - (ii) any company which it is proposed shall become or cease to be a subsidiary contemporaneously with any relevant transaction shall be treated as if it had already become or ceased to be a subsidiary.
- (4) A certificate by the Auditors for the time being of the Company as to the aggregate amount of moneys borrowed which may at any one time in accordance with paragraph (2) of this Article be owing by

the Company and its subsidiaries without sanction as aforesaid shall be conclusive and shall be binding upon the Company, its members and all persons dealing with the Company.

- (5) No liability or security given in respect of moneys borrowed in excess of the limit imposed by paragraph (2) of this Article shall be invalid or ineffectual except in the case of express notice at the time when the liability was incurred or security given that the limit thereby imposed had been or was thereby exceeded.
- (6) The Directors shall be obliged to take all necessary steps (including the exercise of all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries) for securing that the aggregate amount at any time owing in respect of moneys borrowed by the Company and its subsidiaries, exclusive as aforesaid, shall never (without such sanction as aforesaid) exceed the said limit.

PROVISION FOR EMPLOYEES

- 24 The Company shall exercise the power conferred upon it by Section 719 of the Act only with the prior sanction of a Special Resolution. If at any time the capital of the Company is divided into different classes of shares, the exercise of such power as aforesaid shall be deemed to be a variation of the rights attached to each class of shares and shall accordingly require the prior consent in writing of the holders of three-fourths in nominal value of the issued shares of each class or the prior sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of each class convened and held in accordance with the provisions of Article 4 hereof.

INDEMNITY

- 25 Subject to Section 310 of the Act:
 - (1) Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including 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 Section 144 or 727 of the Act in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office in relation thereto.
 - (2) The Directors may purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any

negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

SPECIAL ARTICLES

- 26 (1) So long as there shall be one or more 20 per cent. Shareholders the following provisions shall have effect.
- (2) Each 20 per cent. Shareholder shall be entitled to appoint any one person to be a Director of the Company (a "Nominated Director") and the following provisions of this paragraph shall apply to any person so appointed:
- (a) A Nominated Director may at any time be removed from office by (and only by) his appointor which may appoint another person in his place. Any such appointment or removal shall be effected by an instrument in writing and shall take effect upon lodgement at the registered office of the Company.
- (b) A Nominated Director shall not be subject to retirement by rotation or be required to hold a share qualification.
- (c) Only the shares held by the 20 per cent. Shareholder in question shall confer upon the holder(s) thereof the right to vote upon any resolution pursuant to Section 303 of the Act for the removal of the Nominated Director appointed by it.
- (3) Save with the prior written consent of each 20 per cent. Shareholder:
- (a) No alteration shall be made to the Memorandum of Association of the Company.
- (b) No increase or reduction shall be made in the authorised or issued share capital of the Company).
- (c) No alteration or variation shall be made to or in the rights attaching to the issued or unissued share capital of the Company.
- (d) Save in accordance with the provisions of the Subscription and Shareholders Agreement no option shall be offered or granted by the Company over the whole or any part of its unissued share capital.
- (e) No change shall be made to the accounting reference date of the Company which shall remain 31st October.
- (f) No transaction shall be entered into by the Company which, had the Company been a listed company, would have

amounted to a Class 4 transaction as defined in The Stock Exchange's "Admission of Securities to Listing" at the date of adoption of these Articles.

- (g) The limit on borrowings imposed by Article 23(2) shall not be exceeded.
- (h) The Company shall not redeem or purchase any of its shares.
- (i) No resolution shall be passed to wind up the Company.

For the purpose of sub-paragraphs (a) to (i) inclusive of this paragraph (3) the expression "the Company", shall be deemed to include (in addition to the Company) each of its subsidiaries for the time being and the Company shall accordingly exercise all rights exercisable by the Company in relation to its subsidiaries so as to secure (so far as by such exercise it can secure) that (save with such consent as aforesaid) none of its subsidiaries shall do any of the acts or matters therein referred to.

- (4) Any written consent required to be given by any 20 per cent. Shareholder for the purposes of these Articles shall be sufficiently given and shall be binding on it if signed by the Nominated Director appointed by it.

- 27 None of the provisions of these Articles shall be altered or abrogated without the prior consent in writing of all 20 per cent. Shareholders for the time being.
- 28 All the shares in the Company for the time being held by the 20 per cent. Shareholder shall by reason of the rights given to such 20 per cent. Shareholder by Articles 26 and 27 of these Articles constitute a separate and distinct class of shares; and accordingly any variation of such rights shall be subject to the provisions of Article 4 hereof.
- 29 For the purposes of the definition of "20 per cent. Shareholder" in these Articles for so long as the members of the Grayson Family Group (as hereinbefore defined) shall together hold shares representing in aggregate not less than 20 per cent. in nominal value of the issued equity share capital of the Company John Hugh Grayson (or such other member of the Grayson Family Group as shall be notified in writing to the Company by the holder or holders of a majority in nominal value of the shares in the Company registered in the names of members of the Grayson Family Group) shall be deemed to hold not less than 20 per cent. in nominal value of the issued equity share capital of the Company.

Certified Copy
Marshall
Secretary