

No. 1437775

THE COMPANIES ACTS 1948 to 1983

THE COMPANIES ACTS 1948 to 1976

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

(adopted by Special Resolution passed on
30th April 1984 and amended by Special
Resolutions passed on 29th August 1984 and
30th March 1987)

OF

ANCOMASS LIMITED

Incorporated 17th July 1979

Clifford Chance
Blackfriars House
19 New Bridge Street
London EC4V 6BY

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THE COMPANIES ACTS 1948 to 1976

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

- of -

ANCOMASS LIMITED

1. The name of the Company is ANCOMASS LIMITED.
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established are:-
 - (A) (i) To carry on the business of an investment company and to acquire by purchase, subscription or otherwise, stocks, shares, debentures, bonds, obligations, securities, reversionary interests, annuities, policies of assurance and such other property and rights and interests in property as the Company shall deem fit, and generally to hold for investment, manage, sell or otherwise dispose of the same.
 - (ii) To arrange some or all the investments of the Company in convenient or selected units or groups and to sell or otherwise turn to account any interest or interests in any such units or groups upon such terms and conditions as shall be thought fit, to enter into, execute and carry into effect any trust deed, or trust deeds, either revocable or irrevocable and to arrange and do all acts, deeds and things necessary for or convenient for rendering any certificates or other documents of title issued by the Company marketable on any stock exchange and obtaining official quotations therefor.
 - (iii) To subscribe and pay for, on such terms and conditions as may be thought fit, any such shares, debentures, stocks, bonds, script or other securities; to carry on business as bankers, financiers, mortgage and finance brokers, insurance brokers, estate agents and generally to undertake and execute agency and commission work.
- (B) To carry on any other business or trade which in the opinion of the Directors of the Company may be conveniently carried on in connection with or as ancillary to any of the above businesses or be calculated directly or indirectly to

enhance the value of or render profitable any of the property of the Company or to further any of its objects;

- (C) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any interest whatsoever any movable or immovable property, whether tangible or intangible and wheresoever situate, which the Company may think necessary or convenient for the purposes of its business and to sell, lease, hire out, grant rights in or over, improve, manage or develop all or any part of such property or otherwise turn the same or any part thereof to the advantage of the Company;
- (D) To build, construct, maintain, alter, enlarge, pull down, remove or replace any buildings, works, plant and machinery necessary or convenient for the business of the Company and to join with any person, firm or company in doing any of the things aforesaid
- (E) To borrow or raise money upon such terms and on such security as may be considered expedient and in particular by the issue of debentures or debenture stock and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital, and also by any similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person, firm or company of any obligation undertaken by the Company or any other person, firm or company as the case may be;
- (F) To apply for and take out, purchase or otherwise acquire any patents, licences and the like conferring an exclusive or non-exclusive or limited right of user, or any secret or other information as to any invention which may seem calculated directly or indirectly to benefit the Company, and to use, develop, grant licences in respect of, or otherwise turn to account any rights or information so acquired;
- (G) To purchase, subscribe for or otherwise acquire and hold and deal with any shares, stocks, debentures, debenture stocks, bonds or securities of any other company or corporation carrying on business in any part of the world;
- (H) To issue, place, underwrite or guarantee the subscription of, or concur or assist in issuing or placing, underwriting or guaranteeing the subscription of shares, debentures, debenture stock, bonds, stocks and securities of any company, whether limited or unlimited or incorporated by Act of Parliament or otherwise, at such times and upon such terms and conditions as to remuneration and otherwise as may be agreed upon;

- (I) To invest and deal with the monies of the Company not immediately required for the purposes of its business in or upon such investments and securities and in such manner as may from time to time be considered expedient;
- (J) To lend money or give credit on such terms as may be considered expedient and receive money on deposit or loan from and give guarantees or become security for any persons, firms or companies;
- (K) To enter into partnership or into any arrangement for sharing profits or to amalgamate with any person, firm or company carrying on or proposing to carry on any business which the Company is authorised to carry on or any business which the Company is authorised to carry on or any business or transaction capable of being conducted so as directly or indirectly to benefit the Company;
- (L) To acquire and undertake the whole or any part of the business, property, assets, liabilities and transactions of any person, firm or company carrying on or proposing to carry on any business which the Company is authorised to carry on, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company;
- (M) To sell, exchange, lease, dispose of, turn to account or otherwise deal with the whole or any part of the undertaking of the Company for such consideration as may be considered expedient and in particular the shares, stock or securities of any other company formed or to be formed;
- (N) To establish, promote, finance or otherwise assist any other company for the purpose of acquiring all or any part of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company;
- (O) To pay for any rights or property acquired by the Company, and to remunerate any person, firm or company rendering services to the Company whether by cash payment or by the allotment of shares, debentures or other securities of the Company credited as paid up in full or in part or in any other manner whatsoever, and to pay all or any of the preliminary expenses of the Company and of any company formed or promoted by the Company;
- (P) to accept stock or shares in, or the debentures, mortgage debentures or other securities of any other company in payment or part payment for any services rendered or for any sale made to or debt owing from any such company;
- (Q) To draw, accept, endorse, negotiate, discount, execute and issue promissory notes, bills of exchange, script, warrants and other transferable or negotiable instruments;

- (R) To establish, support or aid in the establishment and support of associations, institutions, clubs, funds, trusts and schemes calculated to benefit the Directors, ex-Directors, officers, ex-officers, employees or ex-employees of the Company or the families, dependants or connections of such persons, and to grant pensions, gratuities and allowances to and to make payments towards insurance for the benefit of such persons as aforesaid, their families, dependants or connections and to subscribe or contribute to any charitable benevolent, or useful object of a public character;
- (S) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, and for such purpose to distinguish and separate capital from profits, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law;
- (T) To do all or any of the above things in any part of the world either alone or in conjunction with others and either as principals, agents, contractors, trustees or otherwise and either by or through agents, sub-contractors, trustees or otherwise;
- (U) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

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

4. The liability of the members is limited.

5. The share capital of the Company is £12,900 divided into 600 "A" Ordinary Shares of 50p each, 7,400 "B" Ordinary Shares of 50p each, 2,000 "C" Ordinary Shares of 50p each 400 "D" Ordinary Shares of 50p each and 15,400 Deferred Shares of 50p each. The Company has power to increase the share capital and to divide the shares (whether original or increased) into several classes and attach thereto any preferred, deferred or other special rights, privileges or conditions as regards dividends, repayment of capital, voting or otherwise.

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
(adopted by Special Resolution passed on 30th April 1984
and amended by Special Resolutions passed on
29th August 1984 and 30th March 1987)

- of -

ANCOMASS LIMITED

PRELIMINARY

1. Regulations 3, 24, 53, 75, 77, 79 and 88 of Part I of Table A in the First Schedule to the Companies Act 1948 (as amended) (hereinafter referred to as "Part I of Table A") shall not apply to the Company.

2. The Articles hereinafter contained, and the remaining regulations of Part I of Table A, subject to the modifications hereinafter contained, shall constitute the regulations of the Company.

3. The Company is a private company and accordingly any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

SHARES

4. The authorised share capital of the Company is £12,900 divided into 600 'A' Ordinary Shares of 50p each, 7,400 'B' Ordinary Shares of 50p each, 2,000 'C' Ordinary Shares of 50p each 400 'D' Ordinary Shares of 50p each and 15,400 Deferred Shares of 50p each having the rights and being subject to the restrictions set out in paragraphs (A) and (B) below.

(A) The 'A' Ordinary Shares, the 'B' Ordinary Shares the 'C' Ordinary Shares and the 'D' Ordinary Shares shall have attached thereto the rights and restrictions set out in paragraph (B) of this Article and the Deferred Shares shall have attached thereto the following rights and restrictions:-

(i) As regards Income: The Deferred Shares shall not be entitled to participate in any profits which the Company may determine to distribute in respect of any financial year or other period.

(ii) As regards Capital: On a return of assets on liquidation or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied first in paying to the holders of the Ordinary Shares the amounts specified in Article 4(B)(ii)(a)(b) and (c) below and next and subject thereto in repaying to the holders of the Deferred Shares the amount paid up or credited as paid up on such shares and the balance of such assets shall belong to and be distributed amongst the holders of the Ordinary Shares in proportion to the amounts paid up thereon pursuant to Article 4(B)(ii)(d) below.

(iii) As regards Voting: The Deferred Shares shall not entitle the holders thereof to receive notice of or to attend or vote at any General Meeting of the Company and Clause 62 of Table A shall be modified accordingly.

(B) The 'A' Ordinary Shares, the 'B' Ordinary Shares, the 'C' Ordinary Shares and the 'D' Ordinary Shares shall have attached thereto the following rights and restrictions but save therefore shall rank *pari passu*:-

(i) DIVIDEND RIGHTS

'AA' per cent. of the profits which the Company may determine to distribute in respect of any financial year shall be applied in paying to the holders of the 'A' Ordinary Shares a dividend proportionate to the amounts paid up or credited as paid up thereon and 'BB' per cent. of the profits which the Company may determine to distribute in respect of any financial year shall be applied in paying to the holders of the 'B' Ordinary Shares a dividend proportionate to the amounts paid up or credited as paid up thereon and 'CC' per cent of the profits which the Company may determine to distribute in respect of any financial year shall be applied in paying to the holders of the 'C' Ordinary Shares a dividend proportionate to the amounts paid up or credited as paid up thereon and 'DD' per cent of the profits which the Company may determine to distribute in respect of any financial year shall be applied in paying to the holders of 'D' Ordinary Shares a dividend proportionate to the amounts paid up or credited as paid up thereon.

(ii) RIGHTS UPON LIQUIDATION OR RETURN OF CAPITAL

In the event of the liquidation of the Company or a return of capital on the 'A' Ordinary Shares, the 'B' Ordinary Shares, the 'C' Ordinary Shares and the 'D' Ordinary Shares the capital returned or distributed shall be returned or distributed on the following basis:-

- (a) first in repayment of 50p or such lesser amount as may be paid up upon each of the 'A' Ordinary Shares, 'B' Ordinary Shares, 'C' Ordinary Shares and the 'D' Ordinary Shares then in issue pari passu as between the 'A' Ordinary Shares, the 'B' Ordinary Shares, 'C' Ordinary Shares and the 'D' Ordinary Shares;
- (b) next in distributing an amount equal to the amount credited to the Share Premium Account of the Company on the issue of any shares designated upon issue as 'B' Ordinary Shares ("the Preferred Amount") among the holders for the time being of the 'B' Ordinary Shares in proportion to their respective holdings of 'B' Ordinary Shares;
- (c) next and following repayment of the Preferred Amount in distributing the following amounts:-
 - (i) 'AA' per cent of the Total Amount shall belong to and be distributed amongst the holders of the 'A' Ordinary Shares according to the amounts paid up or credited as paid up thereon and
 - (ii) 'CC' per cent of the Total Amount shall belong to and be distributed amongst the holders of the 'C' Ordinary Shares according to the amounts paid up or credited as paid up thereon and
 - (iii) 'DD' per cent of the Total Amount shall belong to and be distributed amongst the holders of the 'D' Ordinary Shares according to the amounts paid up or credited as paid up thereon

for the purposes of this sub-paragraph (c) the 'Total Amount' shall be calculated as follows:-

$$\frac{\text{Preferred Amount} + \text{£6,700,000}}{\text{'BB'}} \times 100$$

- (d) subject to the entitlement of the holders of the Deferred Shares pursuant to Article 4(A)(ii) next and following the distribution made pursuant to (c) above any surplus assets of the Company remaining shall be distributed as follows:-
 - (i) 'AA' per cent of such surplus assets shall belong to and be distributed amongst the holders of the 'A' Ordinary Shares according to the amounts paid up or credited as paid up thereon and

(ii) 'BB' per cent of such surplus assets shall belong to and be distributed amongst the holders of the 'B' Ordinary Shares according to the amounts paid up or credited as paid up thereon and

(iii) 'CC' per cent of such surplus assets shall belong to and be distributed amongst the holders of the 'C' Ordinary Shares according to the amounts paid up or credited as paid up thereon and

(iv) 'DD' per cent of such surplus assets shall belong to and be distributed amongst the holders of the 'D' Ordinary Shares according to the amounts paid up or credited as paid up thereon

(iii) VOTING RIGHTS

(a) Save as provided in (b) below on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative shall have one vote and on a poll:-

(i) every 'A' Ordinary Shareholder shall be entitled to exercise such number of votes (rounded downwards to the nearest whole number) as would result in the total number of votes attaching to all the 'A' Ordinary Shares in issue at the date of such poll being 'AA' per cent. of the votes attaching to the entire issued share capital of the Company at such date and

(ii) every 'B' Ordinary Shareholder shall be entitled to exercise such number of votes (rounded downwards to the nearest whole number) as would result in the total number of votes attaching to all the 'B' Ordinary Shares in issue at the date of such poll being 'BB' per cent of the votes attaching to the entire issued share capital of the Company at such date and

(iii) every 'C' Ordinary Shareholder shall be entitled to exercise such number of votes (rounded downwards to the nearest whole number) as would result in the total number of votes attaching to all the 'C' Ordinary Shares in issue at the date of such poll being 'CC' per cent. of the votes attaching to the entire issued share capital of the Company at such date and

(iv) every 'D' Ordinary Shareholder shall be entitled to exercise such number of votes

(rounded downwards to the nearest whole number) as would result in the total number of votes attaching to all the 'D' Ordinary Shares in issue at the date of such poll being 'DD' per cent of the votes attaching to the entire issued share capital of the Company at such date.

For the purposes of the above provisions the total number of votes attaching to the entire issued share capital of the Company is 8,000.

- (b) For the avoidance of doubt it is hereby stated that for the purpose of paragraph (a) of this Article 4 (B)(iii) no share shall be treated as having been issued until the name of the person to whom it has been issued is entered as the registered holder of such share in the Register of Members.
- (c) For the purposes of sub-clauses (B)(i), (ii) and (iii) of this Article 4:-

- (a) "'AA'" shall mean such figure as is calculated in accordance with the following formula:-

$$\frac{12.5}{100+X} \times 100$$

- (b) "'BB'" shall mean such figure as is calculated in accordance with the following formula:-

$$\frac{87.5}{100+X} \times 100$$

- (c) "'CC'" shall mean such figure as is calculated in accordance with the following formula:-

$$\frac{C}{100+X} \times 100$$

- (d) "'DD'" shall mean such figure as is calculated in accordance with the following formula:-

$$\frac{D}{100+X} \times 100$$

For the purposes of the above formulae:-

"X" means the total number of issued 'C' Ordinary Shares and issued 'D' Ordinary Shares expressed as a

percentage figure of the total number of issued 'A' Ordinary Shares and the issued 'B' Ordinary Shares

'C' means the total number of issued 'C' Ordinary Shares expressed as a percentage figure of the total number of issued 'A' Ordinary Shares and issued 'B' Ordinary Shares

"D" means the total number of issued 'D' Ordinary Shares expressed as a percentage figure of the total number of issued 'A' Ordinary Shares and issued 'B' Ordinary Shares

For the avoidance of doubt it is hereby stated that for the purpose of the definition of 'X' 'C' and 'D' above no share shall be treated as having been issued until the name of the person to whom it has been issued is entered as the registered holder of such share in the Register of Members.

Further in the event of a reduction of capital such adjustments shall be made to these provisions as are necessary in all the circumstances to preserve the comparative position of the respective classes of shares and which are fair and reasonable in all the circumstances.

(iv) OPTIONS

- (a) By notice in writing served in the manner provided in these Articles any person or persons holding a majority of the issued 'B' Ordinary Shares in the capital of the Company may require all or any of the holders of the 'A' Ordinary Shares or the 'C' Ordinary Shares or the 'D' Ordinary Shares to transfer any of the 'A' Ordinary Shares, the 'C' Ordinary Shares or the 'D' Ordinary Shares held by such holder to such holder of 'B' Ordinary Shares as may be designated in such Notice against payment to such holder of 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares of the Transfer Price calculated as provided in paragraph (e) below. Such notice may be served at any time after 31st March 1987 or earlier if the holder of such 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares shall die or otherwise cease to be a director or employee of the Company or any subsidiary of the Company for any reason other than retirement at normal retirement age or, where the holder is the spouse or child of such a director or employee at the date of the adoption of these Articles of Association when the director or employee to whom such spouse or child is related dies or ceases to be such a

director or employee for any reason other than retirement as aforesaid, or at such other time as it is agreed by separate general meetings of the holders of the 'A' Ordinary Shares and the 'B' Ordinary Shares that such notice may be given.

- (b) (1) By Notice in writing served in the manner provided in these Articles upon the holder or holders of the majority of the 'B' Ordinary Shares in the capital of the Company, the holder of any issued 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares in the capital of the Company may require such holder or holders of 'B' Ordinary Shares to acquire all or any of the 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares held by such holder at the Transfer Price, calculated as provided in paragraph (e) below, against delivery to such holder or holders of 'B' Ordinary Shares of a duly executed transfer in respect of such 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares. Such Notice may be served at any time after the Prescribed Date as defined in paragraph (c) below.
- (2) Any holder of 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares shall with the prior written consent of the holder or holders for the time being of the majority of the 'B' Ordinary Shares be entitled at any time prior to the Prescribed Date to require such holder or holders of the 'B' Ordinary Shares giving such consent as aforesaid to acquire all or any of the 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares held by such holder at the Transfer Price, calculated as provided in paragraph (e) below against delivery to such holder or holders of 'B' Ordinary Shares of a duly executed transfer in respect of such 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares.
- (c) For the purposes of the preceding paragraph of the Articles the "Prescribed Date" shall mean the first to occur of:-
- (1) 31st March 1987;
- (2) Unless otherwise agreed at separate general meetings of the holders of the 'A' Ordinary Shares and the 'B' Ordinary Shares the date upon which any holder at the date of the

adoption of these Articles of Association of 'B' Ordinary Shares ("the Registered Holder") shall have contracted to sell "B" Ordinary Shares and/or 'C' Ordinary Shares with the result that the Registered Holder ceased to have voting control of the Company Provided That for the purposes of this sub-paragraph (2):-

- (i) the Registered Holder shall be deemed not to have ceased to have voting control of the Company for so long as such voting control continues to be owned by one or more companies in the Registered Holder's Group.
 - (ii) every contract for the sale of 'B' Ordinary Shares and/or 'C' Ordinary Shares entered into by any company in the Registered Holder's Group shall be deemed to be a contract entered into by the Registered Holder.
 - (iii) if voting control of the Company is no longer owned by one or more companies in the Registered Holder's Group, the Registered Holder shall be liable to the holders of the 'A' Ordinary Shares or the 'C' Ordinary Shares or the 'D' Ordinary Shares for the time being for any liability of any of the companies in the Registered Holder's Group to acquire all or any of the shares in the capital of the Company in respect of which the options contained in sub-paragraphs (b)(1) and (2) of this Article 4(B)(iv) have been exercised.
 - (iv) the expression "the Registered Holder's Group" shall mean the group of companies formed by the Registered Holder and all its subsidiary companies from time to time and its holding companies from time to time and any subsidiary company of such holding companies from time to time.
- (3) the date upon which the Company or any subsidiary of the Company shall have sold or otherwise disposed of any shares in the capital of any company which immediately prior to such disposal was a major subsidiary of the Company with the result that the Company and/or such subsidiary ceased to have voting control of the said

major subsidiary. For the purposes of this Article 4 Subsidiary shall have the meaning contained in Section 154 of the Companies Act 1948 and any subsidiary the net tangible assets of which as shown by its latest audited balance sheet represented more than 50% of the net tangible assets of the Company and its subsidiaries taken as a whole as shown by the then latest consolidated balance sheet shall be deemed to be a "major subsidiary".

- (d) For the purposes of giving effect to sub-paragraph (b) above any holder of 'B' Ordinary Shares who shall sell or contract to sell any 'B' Ordinary Shares shall forthwith upon such sale or contract to sell give notice in writing thereof to each holder of 'A' Ordinary Shares, 'C' Ordinary Shares and 'D' Ordinary Shares in the capital of the Company and the Company shall forthwith give notice to such holders of 'A' Ordinary Shares 'C' Ordinary Shares and 'D' Ordinary Shares in the event that it or any of its subsidiaries shall have disposed of any shares in a major subsidiary.
- (e) The Transfer Price of an 'A' Ordinary Share or a 'C' Ordinary Share or a 'D' Ordinary Share shall be calculated in accordance with the following formula:-

$$\frac{1}{Z} \times \frac{PC \times NAV + M}{100}$$

Where:

Z = total number of issued shares of the class in which shares are being transferred plus a number equal to the number of shares of that class for which options to subscribe have been granted by the Company but which have not yet been exercised or if exercised and the subscription monies paid in full the shares in question have not yet been issued

PC = appropriate figure being

'AAA' in the case of 'A' Ordinary Shares
 'CCC' in the case of 'C' Ordinary Shares
 'DDD' in the case of 'D' Ordinary Shares

"AAA" shall mean such figure as is calculated in accordance with the following formula:-

$$\frac{12.5}{100+X} \times 100$$

"CCC" shall mean such figure as is calculated in accordance with the following formula:-

$$\frac{C}{100+X} \times 100$$

"DDD" shall mean such figure as is calculated in accordance with the following formula:-

$$\frac{D}{100+X} \times 100$$

For the purposes of the above formulae:-

"X" means the total number of issued 'C' Ordinary Shares and issued 'D' Ordinary Shares plus a number equal to the total number of 'C' Ordinary Shares and 'D' Ordinary Shares for which options to subscribe have been granted by the Company but which have not yet been exercised or if exercised and the subscription monies paid in full the 'C' Ordinary Shares or the 'D' Ordinary Shares in question have not yet been issued such total figure being expressed as a percentage of the total number of issued 'A' Ordinary Shares and the issued 'B' Ordinary Shares.

"C" means the total number of issued 'C' Ordinary Shares plus a number equal to the total number of 'C' Ordinary Shares for which options to subscribe have been granted by the Company but which have not yet been exercised or if exercised and the subscription monies paid in full the 'C' Ordinary Shares in question have not yet been issued such total figure being expressed as a percentage figure of the total number of issued 'A' Ordinary Shares and issued 'B' Ordinary Shares.

"D" means the total number of issued 'D' Ordinary Shares plus a number equal to the total number of 'D' Ordinary Shares for which options have been granted by the Company but which have not yet been exercised or if exercised and the subscription monies paid in full the 'D' Ordinary Shares in question have not yet been issued such total figure being expressed as a percentage figure of the total number of issued 'A' Ordinary Shares and issued 'B' Ordinary Shares.

For the avoidance of doubt it is hereby stated that for the purpose of the definition of 'Z' 'X'

'C' and 'D' above no share shall be treated as having been issued until the name of the person to whom it has been issued is entered as the registered holder of such share in the Register of Members.

Further in the event of a reduction of capital such adjustments shall be made to these provisions as are necessary in all the circumstances to preserve the comparative position of the respective classes of Shares and which are fair and reasonable in all the circumstances.

M = aggregate subscription price payable on the exercise of all unexercised options granted by the Company to subscribe for shares in the capital of the Company of any class whatsoever plus the aggregate subscription price paid in respect of options exercised after the end of the financial year ending immediately preceding the calculation of the Transfer Price which were granted by the Company to subscribe for shares in the capital of the Company of any class whatsoever

NAV = net asset value (namely shareholders funds, comprising issued share capital and reserves) of the Company and its subsidiaries ("the Group") as shown by the audited consolidated balance sheet of the Group for its financial year ending immediately preceding the calculation of the Transfer Price (the "Balance Sheet") adjusted by:-

- (1) adding thereto the amounts at the date of the said Balance Sheet ("the Balance Sheet Date") not included in the Balance Sheet, standing to the credit of any inner reserves, any non-specific global bad debt provisions (after making provision in full for debts identified as wholly bad and the appropriate proportion of debts identified as partially bad or doubtful) or any specific bad debt provisions in excess of those required to write down debts to current value at the Balance Sheet Date;
- (2) adding thereto or deducting therefrom (as the case may be) the net amount by which the market value at the Balance Sheet Date of freehold and leasehold property, including properties written off, differs from the book value of such property;

- (3) adding thereto or deducting therefrom (as the case may be) the net amount by which the market value at the Balance Sheet Date of investments differs from the book value of such investments;
- (4) deducting therefrom such (if any) amount in respect of contingent liabilities for which provision has not been made in the Balance Sheet as the Accountants shall determine as likely to constitute a future liability;
- (5) adding thereto an amount in respect of office machinery and equipment, computer equipment and motor vehicles written down to nil value at the Balance Sheet Date equal to the written down value thereof at such date had such machines, equipment and vehicles been depreciated by the straight line method to nil value over four years;
- (6) adding thereto the amount of any provisions for deferred taxation made in the Balance Sheet which will by reason of statutory limits governing its recovery cease to be recoverable on the expiration of a fixed period of time;
- (7) (a) deducting therefrom taxation (other than deferred taxation for which no provision is made in the Balance Sheet and which will by reason of statutory limits governing its recovery cease to be recoverable on the expiration of a fixed period of time) which would be payable thereon (after taking into account all available allowances reliefs deductions and credits available to the Group or any member thereof) if the revalued assets were realised at the valuation price;

(b) adding thereto taxation which would not be payable if the provision for contingent liabilities referred to in sub-clause (4) above had been specifically provided for in the Balance Sheet;
- (8) deducting therefrom the cost of the valuations and certifications of the Accountants and chartered surveyors specified below.

- (9) adding back an amount equal to the provision (if any) made in the Balance Sheet in respect of any sum which may become payable by the Company in lieu of the issue and allotment of such number of "D" Ordinary Shares as is capable of being allotted and issued pursuant to options which are unexercised in full or in part at the Balance Sheet Date PROVIDED ALWAYS that the amount to be added back shall be adjusted by deducting therefrom if not already deducted in calculating the provision made in the Balance Sheet the amount of any tax relief attributable to such provision.
- (10) adding back the sum of £6,700,000 in respect of the Interest-free Irredeemable Subordinated Unsecured Loan Stock issued at the date of adoption of these Articles of Association.

The certificate of the Accountants as to the Transfer Price of an 'A' Ordinary Share, a 'C' Ordinary Share or a 'D' Ordinary Share shall be final and binding on all parties.

For the purposes of this Clause:-

- (a) the market value at the Balance Sheet Date of freehold and leasehold properties shall be agreed between the holders of a majority of the issued 'A' Ordinary Shares and the holders of a majority of the issued 'B' Ordinary Shares and in the absence of such agreement determined by a firm of chartered surveyors agreed as aforesaid or in default of such agreement appointed by the President of the Royal Institution of Chartered Surveyors;
- (b) the market value at the Balance Sheet Date of investments shall be:-
- (i) in the case of listed investments the middle market quotation thereof as shown by The Stock Exchange Daily Official List or such other recognised Securities Exchange List as shall be appropriate on the Balance Sheet Date; and
- (ii) in the case of unlisted investments the value thereof

agreed between the holders of a majority of the issued 'A' Ordinary Shares and the holders of a majority of the issued 'B' Ordinary Shares or, in the absence of agreement, determined by the Accountants or by such other expert as the Accountants shall nominate;

- (c) "the Accountants" means the accountants nominated jointly by the holders of a majority of the issued 'A' Ordinary Shares and the holders of a majority of the issued 'B' Ordinary Shares or in the absence of agreement thereon accountants nominated by the President of the Institute of Chartered Accountants in England and Wales
- (f) The Transfer Price per share shall be payable within 14 days after certification of the amount thereof by the Accountants against delivery of share certificates and duly executed transfers in respect of the relevant Shares.
- (g) The Transfer Price of an 'A' Ordinary Share calculated as set out above shall be reduced by £12,500, or such other amount being
 - (i) the amount attributable to each 'A' Ordinary Share of the proportion of the Transfer Price as shall be agreed by separate general meetings of the holders of the 'A' Ordinary Shares and the 'B' Ordinary Shares, plus
 - (ii) an amount to be agreed by separate general meeting of the holders of the 'A' Ordinary Shares and the 'B' Ordinary Shares.
- (v) ISSUES OF NEW SHARES
 - (a) Subject to sub-paragraph (b) of this paragraph (v) on and after the date on which the last of the 7,400 'B' Ordinary Shares shall have been issued all new shares in the Capital of the Company shall, unless otherwise agreed by separate general meetings of the holders of the 'A' Ordinary Shares and the 'B' Ordinary Shares, be classified as 'C' Ordinary Shares and the Directors shall offer any new 'C' Ordinary Shares which they propose to issue pro rata to all existing Ordinary Shareholders on identical terms and in the event that any shareholder declines to take up any shares such shares shall be offered

pro rata to those shareholders who have accepted the shares offered to them and any shares declined by any of such shareholders shall be offered to the holders for the time of the 'B' Ordinary Shares. No new 'C' Ordinary Share shall be issued at less than a price equivalent to the Transfer Price calculated in accordance with paragraph 4(e) above immediately prior to the issue of such new 'C' Ordinary Shares.

- (b) Notwithstanding the provisions of sub-paragraph (a) above 'D' Ordinary Shares may only be issued to persons who are employees or former employees or personal representatives of an employee or former employee of the Company or any subsidiary of the Company. No 'D' Ordinary Shares shall be issued nor any options granted over the same without the consent of the holders of a majority of the 'B' Ordinary Shares but subject thereto the first issue of any such 'D' Ordinary Shares (or options granted in respect thereof) shall be at a subscription price of £7250 and thereafter shall with such consent as aforesaid be issued (or options granted in respect thereof) at a subscription price to be agreed between the holders of a majority of the 'A' Ordinary Shares and the holders of a majority of the 'B' Ordinary Shares but in any event being not less than the Transfer Price.

(vi) TRANSFERS

Subject to the written consent of holders of a majority of the 'B' Ordinary Shares a holder of 'A' Ordinary Shares in the Company shall be at liberty to transfer the legal and beneficial interest in any 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares held by him to his spouse or any child of his being a minor at the date of transfer or to any other Director or employee of the Company or any subsidiary of the Company. Save as aforesaid and save as otherwise provided in Article 4(B)(iv) of these Articles no holder of 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares in the Company shall be entitled to transfer the legal and beneficial interest in any 'A' Ordinary Shares, 'C' Ordinary Shares or 'D' Ordinary Shares held by him to any other person.

(vii) VARIATION OF RIGHTS

Any variation of the rights of any class of shares in the Capital of the Company shall be deemed to be a variation of the rights of each other class and shall

not be effective unless approved by separate general meetings of the holders of each class.

(viii) CAPITALISATION ISSUES

For the purposes of paragraph (vii) the issue of fully paid shares by way of capitalisation of reserves or for any consideration other than cash shall be a variation of the rights of each class of shares.

5. Subject to the provisions of the Companies Act 1981 any shares may be issued upon the terms that they are or at the option of the Company are liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may by special resolution determine.

LIEN.

6. The lien conferred by regulation 11 in Part I of Table A shall attach to fully paid up shares, and 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.

GENERAL MEETING

7. Every notice convening a general meeting shall comply with the provisions of Section 136(2) of the Act as to giving information to members in regard to their right to appoint proxies, and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the auditor for the time being of the Company.

8. Regulation 54 in Part I of Table A shall be read and construed as if the words "meeting shall be dissolved" were substituted for the words "members present shall be a quorum".

DIRECTORS

9. Unless and until the Company in general meeting shall otherwise determine, the number of directors shall be not less than one. If and so long as there is a sole director, such director may act alone in exercising all the powers and authorities vested in the directors. A director shall not require any share qualification but shall nevertheless be entitled to attend and speak at any general meeting of the Company or at any separate meeting of the holders of any class of shares of the Company.

10. The first director or directors of the Company shall be the person or persons named as the first director or directors of the Company in the statement delivered under Section 21 of the Companies Act 1976.

BORROWING POWERS

11. The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

POWERS AND DUTIES OF DIRECTORS

12. Paragraphs (2) and (4) of regulation 84 in Part I of Table A shall not apply. A director may vote in regard to any contract or arrangement in which he is interested or upon any matter arising thereout and if he shall so vote his vote shall be counted and he shall be reckoned in estimating the quorum present at any meeting at which any such contract or arrangement is considered.

13. Any director may appoint any person approved by the board of directors to be an alternate director and such appointment shall have effect and such appointee, whilst he hold office as an alternate director, shall be entitled to receive notice of meetings of directors and to attend and vote thereat, but he shall not be entitled to any remuneration from the Company otherwise than out of the remuneration of the director appointing him and agreed between the said director and the appointee. Such appointment may be revoked at any time by the appointor or by a resolution of the directors or by an ordinary resolution of the Company in general meeting. Any appointment or revocation made under this Article shall be in writing under the hand of the director making the same.

DISQUALIFICATION OF DIRECTORS

14. The office of a director shall be vacated:-

(A) if he resigns his office by notice in writing to the Company;

(B) if he becomes bankrupt or enters into any arrangement with his creditors;

(C) if he is prohibited from being a director by an order made under Section 188 of the Act, under Section 28 of the Companies Act 1976; or under Section 9 of the Insolvency Act 1976;

(D) if he becomes of unsound mind; or

(E) if he is removed from office by a resolution duly passed under Section 184 of the Act.

THE SECRETARY

15. The first secretary of the Company shall be the person named as the first secretary of the Company in the statement delivered under Section 21 of the Companies Act 1976.

NOTICES

16. In regulation 131 of Part I of Table A, all the words after the words "a letter containing the notice" shall be omitted, and in substitution therefor there shall be inserted the words "and, if posted by pre-paid first-class mail, to have been effected at the expiration of 24 hours after the letter containing the same is posted, and, if posted by any other class of pre-paid mail, at the time at which the letter would be delivered in the ordinary course of post".

INDEMNITY

17. In addition to the indemnity contained in regulation 136 of Part I of Table A and subject to the provisions of section 205 of the Act, every director, managing director, agent, auditor, secretary and other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities, incurred by him in or about the execution and discharge of the duties of his office.

CAPITAL RESERVE

18. The directors shall establish a reserve to be called the Capital Reserve and shall either carry to the credit of such reserve from time to time all moneys realised on or derived or arising from the sale, realisation or payment off of or other dealings with any capital assets of the Company in excess of the book value of the same or apply such moneys in providing for depreciation or contingencies. There shall also be carried to the credit of such reserve any receipts of a capital nature or anything received by the Company by way of reduction or other return of capital or share premium account or by way of capitalisation of reserves of any company in which the Company holds securities. The Capital Reserve shall not be available for dividend. Any losses realised on the sale, realisation or payment off of or other dealings with any capital assets and any depreciation in the value of any capital assets shall be debited together with any taxation relevant to capital transactions to the Capital Reserve and shall not be debited to the profit and loss account.

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