

**THE COMPANIES ACT 1985
AND
THE COMPANIES ACT 1989**

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

The Celebrated Group plc

**reprinted as amended 4 October 1995
with effect from the Company's re-registration
as a public company**



1. The Company's name is "The Celebrated Group plc".¹
2. The Company is to be a public company.²
3. The Company's Registered Office is to be situated in England and Wales.
4. The Company's objects are:³
 - (A) To carry on in any of the respective branches all or any of the following business in the United Kingdom and or anywhere in the world
 - (1) (a) to carry on the business as proprietors and managers and to construct, establish, run, maintain and conduct, manage hotels, service

¹ The Company was incorporated on 20 September 1988 as Tophaven Limited. By Special Resolution passed on 22 September 1988 the Company changed its name to Elegant Leisure Limited with effect from 15 November 1988 and by Special Resolution passed on 23 March 1994 the Company changed its name to The Celebrated Group Limited with effect from 15 April 1994. Pursuant to a Special Resolution passed on 4 October 1995 the Company was re-registered as a public company with effect from 9 October 1995 and its name was accordingly changed to The Celebrated Group plc.

² This Clause 2 was inserted by Special Resolution passed 4 October 1995 with effect from the Company's re-registration as a public company.

³ By Special Resolution passed on 20 September 1988 a new objects clause of the Memorandum of Association was adopted in substitution for the previous objects clause.

apartments, guest houses, boarding and lodging and other forms of accommodation, services and facilities, motels, tourist or holiday resorts, amusements centres, restaurants, bars, nightclubs, shops, stores, library, convention or exhibition centres, reading rooms, recreation centres and to provide for other conveniences and modern amenities, comforts and attractions for the public, theatres, cinemas, picture places, concert-halls, auditoriums, studios, club houses, tourist complexes, chalets, apartments, flight kitchen, amusements and entertainment arcades, meeting/convention halls, casinos and to provide for the production, representation and performance of operas, stage play, operettas, ballets, pantomimes, spectacular places, promenade and other concerts and other musical and dramatic performances and entertainments

- (b) to carry on the business as travel agents, tourist agents and/or contractors and generally to provide for tourists travel facilities of every description, and in particular the booking of travel tickets and hotel and lodging accommodation, providing guides, safe deposits, inquiry bureau and baggage transport and arranging and operating tours, generally to promote tourist traffic in the United Kingdom and/or elsewhere in the world
 - (c) to render marketing services in respect of all or any of the above activities and to render expert, professional, consultancy, technical and management services in respect of all or any of the above activities, including feasibility studies, designing, construction, development and management for projects in the above or related fields or activities already constructed or prior to construction, either on a turn-key basis or otherwise, to provide hotel expertise to others in Project Technical Planning, Turn-Key Projects, operation of hotels and marketing of hotels, to provide for a complete range of tourism related services for domestic and international visitors, namely, Transport, Tours, Ticketing (National and International) and entertainment
- (2) (a) to carry on business as Contractors and or Sub-Contractors for execution of projects of all sorts and categories, including turn-key projects in all fields of engineering, civil, mechanical, electrical, public health, electric supply, power generation or distribution or otherwise including the making of surveys and reports thereon, preparing designs, making estimates, preparing evaluations and economic studies and furnishing all other services required to enable the customers of the Company to consider the feasibility and execution of all types of work; Construction of buildings, roads, railway tracks, ports, airports, wharves, highways, bridges, culverts, dams, canals and structures and such other civil and other works, hospitals, including maternity homes, schools, colleges, factories, hotels, cinema houses, auditoriums, club houses and such similar projects as the Company may undertake; to carry on business as constructors, surveyors, engineers and consultants for construction of the above mentioned projects; To enter into contracts for the design and constructions of buildings, roads, dams, bridges and to render all other general services such as roads, drainage, electricity, air conditioning, gas systems, landscaping, to prepare designs of architectural features of buildings and townships and the various utilities, structural design of the various structures to be constructed therein, design of electrical sub-stations, water supply schemes,

sewage systems and other similar facilities and amenities; To render technical and professional services on a contract basis or otherwise in respect of all or any of them; and generally to tender for and to execute contracts of all categories and descriptions which may be in the interests of the Company

- (b) to act as real estate and property developers, realtors, investors in real estate and property, and to act as dealers in brokers or agents for and or traders in property to real estate
 - (c) to purchase, take on lease or in exchange, or otherwise acquire any lands and buildings and any estate or interest in, and any rights connected with, such lands and buildings; to develop and turn to account directly or through agents any land acquired by the Company or in which the Company is interested, and in particular by laying out and preparing the same for building purposes, designing development and construction and improvement, constructing, altering, pulling down, decorating and by planting, furnishing, fitting up and improving buildings and by planting, paving, draining, farming, cultivating, letting or building lease or building agreement; to act as manager and to manage land, building and other properties; to engage in property development including reclamation of land from the sea and management anywhere in the world
 - (d) to market, invest in, lease or deal in or with property or trade in real estates such as lands, and buildings, or parts thereof including offices, suites, apartments, or other units of accommodation and warehouses of all kinds and descriptions
 - (e) to render technical, professional, consultancy, management services to others engaged in activities like or similar to the before mentioned activities
- (3)
- (a) to manufacture, buy, sell, supply, refine, prepare, grow, import, export and deal in all industrial items or goods, liquid, solid or otherwise of all kinds and description whatsoever, and to render technical management, professional and consultancy services in respect of all or any of them
 - (b) to work mines or quarries and to prospect for, search for, find, win, get, work, crush, smelt, manufacture or otherwise deal with limestone, chalk, clay, ores, metals, minerals, oils, precious and other stones or deposits or products and generally to carry on the business of mining in all branches; to carry on investigations to discover places where cement can be profitably made, or where materials for any manufacturing work the Company is entitled to carry on can be obtained and to obtain prospecting licenses and do prospecting or research work in that behalf; to search for ores and minerals, mine and grant licenses for mining in or over any lands which may be acquired, or held by the Company and to lease any such lands for building or other use; to carry on all or any of the businesses of manufacturers and sellers of and dealers and workers in cement of all kinds, concrete, asbestos, gypsum, coal, jute, hessian cloth, gunny bags, paper bags, lime, plasters, whiting, clay, bauxite, soapstone,

ochros, paints, fixing materials, gravel, sand, bricks, tiles, pipes, pottery, earthenware, artificial stone and manufacturers', buildings' and dyers' requisites and conveniences of all kinds

- (4) To render technical management, professional and consultancy services in relation to any of the objects of the Company to Government and private agencies including bodies corporate, associations, firms and individuals either as complete services or part thereof including loan of services of various technical and non-technical personnel and imparting technical and organisational know-how; to act as consultants anywhere in the world to builders, contractors, sub-contractors, engineers, architects, surveyors, designers, sanitary plumbers, project engineers, electricians, decorators, furnishers for Government Municipal and Local Bodies, Military, Naval, Airforce authorities, Corporations, Firms, Individuals, Bodies Corporate or otherwise, Government of Foreign States, or Agents thereof or foreign enterprises including consultancy services for designing, executing, supervising, drawing up specifications and to assist in planning, negotiating and finalising of terms of contract and other technical data and rendering technical services in general on basis of percentage, lump sum fees, or on other basis
- (B) To carry on any other trade or business which may seem to the Company capable of being conveniently carried on in connection with the objects specified in Sub-Clause (A) hereof of calculated directly or indirectly to enhance the value of or render profitable any of the property or rights of the Company
- (C) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof
- (D) To erect, construct, lay down, enlarge, alter and maintain any roads, railways, tramways, sidings, bridges, reservoirs, shops, stores, factories, buildings, works, plant and machinery necessary or convenient for the Company's business, and to contribute to or subsidise the erection, construction and maintenance of any of the above
- (E) To borrow or raise or secure the payment of money in such manner as the Company shall think fit for the purposes of or in connection with the Company's business, and for the purposes of or in connection with the borrowing or raising of money by the Company to become a member of any building society
- (F) For the purposes of or in connection with the business of the Company to mortgage and charge the undertaking and all or any of the real and personal property and assets, present and future, and all or any of the uncalled capital for the time being of the Company, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures or debenture stock, either permanent or redeemable or repayable, and collaterally or further to secure any securities of the Company by a trust deed or other assurances. To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company, or in whose businesses or

undertakings the Company is interested, whether directly or indirectly.

- (G) To receive money on deposit or loan upon such terms as the Company may approve.
- (H) To lend money to any company, firm or person and to give all kinds of indemnities and either with or without the Company receiving any consideration or advantage, direct or indirect, for giving any such guarantee, and whether or not such guarantee is given in connection with or pursuant to the attainment of the objects herein stated to guarantee either by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets present and future and uncalled capital of the Company or by both such methods, the performance of the obligations and the payment of the capital or principal (together with any premium) of and dividends or interest on any debenture, stocks, shares or other securities of any company, firm or person and in particular (but without limiting the generality of the foregoing) any company which is for the time being the Company's Holding or Subsidiary company or otherwise associated with the Company in business
- (I) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, or emoluments to any persons who are or were at any time of the employment or service of the Company, or of any company which is for the time being the Company's Holding or Subsidiary company or otherwise associated with the Company in business or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons; and also to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object; and to establish, set up, support and maintain share purchase schemes or profit sharing schemes for the benefit of any employees of the Company, or of any company which is for the time being the Company's Holding or Subsidiary company and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- (J) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.
- (K) To invest and deal with the moneys of the Company not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined.
- (L) To pay for any property or rights acquired by the Company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (M) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or special rights or restrictions in respect of dividend, repayment of capital, voting or

otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.

- (N) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company.
- (O) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold or dispose of shares, stock or securities and guarantee the payment of dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such company.
- (P) To purchase or otherwise acquire and undertake all or any part of the business, property, assets, liabilities and transactions of any person, firm or company carrying on any business which this Company is authorised to carry on or possessed of property suitable for the purposes of the Company, 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
- (Q) To sell, improve, manage, develop, turn to account, exchange, let on rent, grant royalty, share of profits or otherwise, grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit
- (R) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid, with or without winding up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares of stock of this or any such other company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner
- (S) To subscribe for, purchase or otherwise acquire, and hold shares, stock, debentures or other securities of any other company
- (T) 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, 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
- (U) To give such financial assistance directly or indirectly for the purpose of the acquisition of shares in the Company or the Company's Holding company or for the purpose of reducing or discharging any liability incurred by any person for the purpose of the acquisition of shares in the Company or the Company's Holding as

may be lawful

- (V) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise
- (W) To do all such things as are incidental or conducive to the above objects or any of them

And it is hereby declared that, save as otherwise expressly provided, each of the paragraphs of this Clause shall be regarded as specifying separate and independent objects and accordingly shall not be in anywise limited by reference to or inference from any other paragraph or the name of the Company and the provisions of each such paragraph shall, save as aforesaid, be carried out in as full and ample a manner and construed in as wide a sense as if each of the paragraphs defined the objects of a separate and distinct company

- 5. The liability of the Members is limited
- 6. The Company's share capital is £2,584,010 divided into 380,064 Preference Shares of £1 each, 1,815,784 "A" Ordinary Shares of 25p each and 7,000,000 Ordinary Shares of 25p each.⁴

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- (i) The Company was incorporated with a share capital of £100 divided into 100 Shares of £1 each.
 - (ii) By Special Resolution passed on 28 September 1988 the share capital of the Company was increased to £10,000,000 by the creation of 9,999,900 new Ordinary Shares of £1 each.
 - (iii) By Special Resolution passed on 15 September 1989 250,000 of the existing unissued but authorised Ordinary Shares of £1 each in the share capital of the Company were reclassified as 250,000 Preference Shares of £1 each and a further 148,485 of the existing unissued but authorised Ordinary Shares of £1 similarly were reclassified as 148,485 "A" Ordinary Shares of £1 each.
 - (iv) By Special Resolution passed on 28 June 1991 323,100 of the existing unissued but authorised Ordinary Shares of £1 each in the share capital of the Company were converted into New Preference Shares of £1 each.
 - (v) By Special Resolutions passed on 1 February 1993 528,439 of the existing unissued but authorised Ordinary Shares of £1 each in the share capital of the Company were converted into 228,435 "A" Ordinary Shares of £1 each and 1,200,000 Preferred Ordinary Shares of 25p each and the share capital of the Company was increased to £10,034,980 by the creation of a further 34,980 New Preference Shares of £1 each.
 - (vi) By Special Resolution passed on 1 July 1994 the authorised share capital of the Company was varied and altered and the authorised share capital of the Company was thereby reduced to £2,584,010 divided into 380,064 Preference Shares of £1 each, 1,815,784 "A" Ordinary Shares of 25p each and 7,000,000 Ordinary Shares of 25p each.

We, the Subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of Shares shown opposite our respective names.

NAMES AND ADDRESSES OF SUBSCRIBERS

Number of Shares
taken by each
Subscriber

ROY C. KEEN,
Temple Chambers,
Temple Avenue,
London EC4Y 0HP.

One

NIGEL L. BLOOD,
Temple Chambers,
Temple Avenue,
London EC4Y 0HP.

One

Total Shares taken

—
Two
—

Dated the 1st day of August, 1988.

Witness to the above Signatures:-

J. JEREMY A. COWDRY,
Temple Chambers,
Temple Avenue,
London EC4Y 0HP.

THE COMPANIES ACT 1985
AND
THE COMPANIES ACT 1989

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF

The Celebrated Group plc

As adopted by Special Resolution passed 1 July 1994

Preliminary

1. In these articles:
 - 1.1 "the Act" means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force.
 - 1.2 "Table A" means Table A in the Companies (Tables A-F) Regulations 1985 as amended by the Companies (Tables A-F) (Amendment) Regulations 1985.
 - 1.3 "Relevant Directors" means the directors and former directors of the Company and its subsidiaries where such directors or former directors are interested in shares in the Company and their connected persons (as defined by section 839 Income and Corporation Taxes Act 1988) but excluding any Special Director (as hereinafter defined).
 - 1.4 The word "emoluments" shall include all salary and all items set out in paragraph 1 (4) of Schedule 6 of the Act.
 - 1.5 Where any amount is stated to be Index Linked it shall be adjusted annually on 31st March each year commencing on 31st March 1995 by a percentage equal to the percentage increase in and retail price index

published by the Government to the last day in February in the year in question from the last day in February in the previous year.

2.

2.1 The regulations contained in or incorporated in Table A shall apply to the Company save in so far as they are excluded or varied hereby or are inconsistent herewith and such regulations (save as so excluded varied or inconsistent) and the articles hereinafter contained shall be the regulations of the Company.

2.2 Regulations 54, 73-80 (inclusive), 85, 86, 94-98 (inclusive) and 118 of Table A shall not apply to the Company.

Share Capital

3. The share capital of the Company is £2,584,010 divided into 380,064 preference shares of £1 each 1,815,784 "A" ordinary shares of 25 pence each and 7,000,000 ordinary shares of 25 pence each.

The rights attaching to the respective classes of shares shall be as follows:

Income

3.1 The profits of the Company available for distribution shall be applied as follows:

3.1.1 first in paying the holders of preference shares a fixed cumulative preferential net cash dividend (hereinafter in these articles referred to as the "Preference Dividend") of 11 pence per annum on each share accruing from 1st April 1995 and payable half yearly on 31st March and 30th September, the first such payment to be made on 30th September 1995;

3.1.2 second in paying to the holders of the "A" ordinary shares a fixed cumulative preferential net cash dividend (hereinafter

in these articles referred to as the "Fixed Dividend") of 11 pence per annum on each share accruing from 1st April 1995 and payable half yearly on 31st March and 30th September, the first such payment to be made on 30th September 1995;

- 3.1.3 third in paying to the holders of the "A" ordinary shares as a class in respect of each financial year of the Company a cumulative preferential net cash dividend (hereinafter in these articles referred to as the "Participating Dividend") of a sum which when added to the total of the Fixed Dividend payable in respect of that year is equal to 10% of the Net Profit (calculated as hereinafter provided) of the Company and its subsidiaries for the relevant financial year. The Participating Dividend (if any) shall be paid not later than 4 months after the end of each successive accounting reference period of the Company or not later than 14 days after the audit report on the accounts of the Company for such period is signed by the Company's auditors, whichever is earlier;

For the purpose of calculating the Participating Dividend, the expression "Net Profit" shall mean the profit on ordinary activities before taxation of the Company and its subsidiaries calculated on the historical cost accounting basis and shown in the audited consolidated profit and loss account of the Company and its subsidiaries for the relevant financial year (to the nearest £1) but adjusted by:

- 3.1.3.1 adding back any payment or provision which has been made for any dividend on any share in the capital of the Company or any of its subsidiaries or for any other distribution or for the transfer of any sum to reserves and any amortisation of goodwill;
- 3.1.3.2 disregarding extraordinary items;

3.1.3.3 adding back any amount in excess of £180,000 (or such higher sum as may be agreed in writing from time to time by the holders of the "A" ordinary shares) Index Linked in the aggregate charged in respect of emoluments payable to Relevant Directors.

3.1.4 Fourth in paying to the holders of the "A" ordinary shares in respect of each financial year of the Company a cumulative preferential net cash dividend (hereinafter in these articles referred to as the "Additional Dividend") on each share of an amount which, when added to the Fixed Dividend and the Participating Dividend paid on such share for the same financial year, shall equal the aggregate of:

3.1.4.1 any Initial Ordinary Dividend (as hereinafter defined) paid in such financial year on all of the ordinary shares held by or on behalf of Relevant Directors (hereinafter in these articles referred to as "Directors Shares"); and

3.1.4.2 the Excess Remuneration (as hereinafter defined)

divided by the number of Directors Shares in issue on the last day of the relevant financial year.

For the purpose of calculating the Additional Dividend the expression "Excess Remuneration" shall mean emoluments in excess of £180,000 (or such higher sum as may be agreed in writing from time to time by the holders of the "A" ordinary shares) Index Linked in the aggregate payable in respect of the relevant financial year to Relevant Directors after deducting income tax at the basic rate of such excess sum. The Additional Dividend (if any) shall be paid on the due date for payment of the Participating Dividend.

3.1.5 No dividend shall be declared or paid to the holders of ordinary shares in respect of any financial year of the Company unless and until:

3.1.5.1 the Preference Dividend and the Fixed Dividend and the Participating Dividend (if any) have been paid in full in respect of all previous financial years of the Company;

3.1.5.2 any Additional Dividend due in respect of all previous financial years of the Company has been paid in full and in respect of that financial year is declared and paid in full at the same time as any Initial Ordinary Dividend (as hereinafter defined) paid in that year; and

3.1.5.3 all preference shares which have fallen due for redemption have been redeemed

but subject thereto and provided that the aggregate of the total amount of all dividend payments made or proposed to be made in respect of that financial year and the Excess Remuneration (as defined above) does not exceed one half of the amount of the profits after taxation of the Company and its subsidiaries for such financial year calculated on the historical cost accounting basis as shown in the audited consolidated profit and loss account of the Company and its subsidiaries (to the nearest £1) and provided that the profits of the Company available for distribution are not less than £175,000 the profits which the Company may determine to distribute in respect of any financial year shall be applied:

3.1.5.4 first in paying to the holders of the ordinary shares a dividend (the "Initial Ordinary

Dividend") on each share of an amount up to but not exceeding the aggregate of the Fixed Dividend and the Participating Dividend paid on each "A" ordinary share for such year;

3.1.5.5 second with the prior written consent of the holders of 75% of the "A" ordinary shares in distributing the balance of such profits amongst the holders of the "A" ordinary shares and the ordinary shares (pari passu as if the same constituted one class of share).

3.1.6 Every dividend shall be distributed to the appropriate shareholders pro rata according to the amounts paid up or credited as paid up on the shares held by them respectively and shall accrue on a daily basis.

3.1.7 Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act the Preference Dividend and the Fixed Dividend and the Participating Dividend and the Additional Dividend shall (notwithstanding regulations 102 to 108 inclusive contained in Table A or any other provision of these articles and in particular notwithstanding that there has not been a recommendation of the directors or resolution of the Company in general meeting) be paid immediately on the due date and if not then paid shall be a debt due by the Company and be payable in priority to any other dividend provided that if due to delays in the preparation of the audited accounts of the Company the Participating Dividend cannot be calculated by the date it is due for payment then there shall be paid forthwith an interim dividend in respect of the Participating Dividend of a sum equal to the last Participating Dividend payable. Provided further that if it shall be found following the preparation of audited accounts that the interim dividend which shall have been paid was

either in excess of the applicable percentage of the Net Profit (as defined in article 3.1.3 above) or was unlawful then to the extent that such interim dividend shall have been so in excess or be deemed unlawful, the same shall forthwith be repaid, or in the event that the interim dividend is found to be less than the applicable percentage of the Net Profit, then to the extent that such interim dividend proves to be an underpayment, the difference shall be paid forthwith to the holders of the "A" ordinary shares.

3.1.8 The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of any redemption moneys due on the preference shares and the Preference Dividend and the Fixed Dividend and the Participating Dividend and the Additional Dividend.

3.1.9 If any dividends on the "A" ordinary shares are not paid on the dates specified for payment in these articles then the amount of such overdue dividends will be increased by 12% per annum such increase to accrue daily from the date specified for payment in these articles save that such increase shall not accrue until the dividend in question may be lawfully paid.

Capital

3.2 On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied as follows:

3.2.1 first in paying to the holders of the preference shares the subscription price paid per share together with a sum equal to any arrears or accruals of the Preference Dividend calculated down to the date of the return of capital;

- 3.2.2 second in paying to the holders of the "A" ordinary shares the subscription price paid per share together with a sum equal to any arrears or accruals of the dividends on the "A" ordinary shares calculated down to the date of the return of capital;
- 3.2.3 third in paying to the holders of ordinary shares the subscription price paid per share; and
- 3.2.4 the balance of such assets shall be distributed amongst the holders of the "A" ordinary shares and ordinary shares (pari passu as if the same constituted one class of share) in proportion to the amounts paid up or credited as paid up on the "A" ordinary shares and ordinary shares held by them respectively.

Conversion

3.3 The holders of the "A" ordinary shares may at any time convert the whole of their "A" ordinary shares into a like number of ordinary shares and the following provisions shall have effect:

- 3.3.1 the conversion shall be effected by notice in writing given to the Company signed by the holders of 75% of the "A" ordinary shares and the conversion shall take effect immediately upon the date of delivery of such notice to the Company unless such notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled in which case conversion shall take effect when such conditions have been fulfilled;
- 3.3.2 forthwith after conversion takes effect the holders of the ordinary shares resulting from the conversion shall send to the Company the certificates in respect of their respective holdings of "A" ordinary shares and the Company shall issue

to such holders respectively certificates for the ordinary shares resulting from the conversion;

3.3.3 the ordinary shares resulting from the conversion shall rank from the date of conversion pari passu in all respects with the other ordinary shares in the capital of the Company;

3.3.4 on the date of conversion the Company shall pay a dividend to the holders of the "A" ordinary shares of a sum equal to any arrears or accruals of the dividends on the "A" ordinary shares calculated on a daily basis to the date of conversion and the Participating Dividend shall be calculated pro rata according to the profits of the Company and its subsidiaries for the relevant financial year down to the date of such conversion such profits to be calculated by the Company on a basis reasonably acceptable to the holders of 75% of the "A" ordinary shares.

Redemption

3.4 3.4.1 Subject to the provisions of the Act the preference shares shall be redeemed in the proportions and on the dates set out below:

<u>Redemption Date</u>	<u>Number of shares redeemable</u>
30th September 1996	38,006
31st March 1997	38,006
30th September 1997	38,006
31st March 1998	38,006
30th September 1998	38,006
31st March 1999	38,006
30th September 1999	38,006
31st March 2000	38,006
30th September 2000	38,006
31st March 2001	38,010

and any shares not redeemed upon the due date shall be redeemed forthwith upon redemption becoming permissible under the Act.

3.4.2 Subject to the provisions of the Act the Company may with the prior written consent of the holders of 75% of the preference shares provided there are no arrears of dividend on the "A" ordinary shares or preference shares redeem all or (in instalments of not less than 38,000 shares) some of the preference shares in advance of the due date for redemption and in the absence of any contrary agreement between such holders and the Company any partial early redemption shall be deemed to relate to the shares falling due for redemption in inverse order of maturity.

3.4.3 Subject to the provisions of the Act all of the preference shares shall (unless the holders of 75% of the preference shares give notice in writing to the Company to the contrary) be redeemed immediately upon any of the following date:

3.4.3.1 the date upon which any of the equity share capital of the Company is admitted to the Official List of The Stock Exchange or permission for any of the equity share capital of the Company to be dealt in on the Unlisted Securities Market or any other recognised investment exchange (as defined in section 207 of the Financial services Act 1986) becomes effective; or

3.4.3.2 the date upon which a successful offer to purchase 90% or more of the issued equity share capital of the Company (or 90% or more of all such capital including any already held by the offeror) is completed.

3.4.4 On the dates fixed for any redemption the Company shall pay to each registered holder of preference shares the amount payable in respect of such redemption and upon receipt of that amount each such holder shall surrender to the Company the certificate for his shares which are to be redeemed in order that they may be cancelled provided that if any certificate so surrendered includes any shares not redeemable at that time the Company shall issue a fresh certificate for the balance of the shares not redeemable to the holder. If there is more than one holder of preference shares any redemption shall be made among such holders pro rata (as nearly as may be) to their respective holdings.

3.4.5 The Company shall pay on each of the preference shares so redeemed the sum of £1.00 and contemporaneously pay any arrears or accruals of the Preference Dividend calculated to the date of redemption and in the absence of any direction to the contrary by the holder of the relevant preference share any moneys paid on redemption of such share shall relate first to the said arrears and accruals of Preference Dividend. The Preference Dividend shall cease to accrue from the date of payment of the redemption moneys.

Class Rights

4. Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of 75% of the issued shares of that class. Without prejudice to the generality of this article, the special rights attached to the preference shares and the "A" ordinary shares shall be deemed to be varied:

- 4.1 by the grant of any option or other right to subscribe for shares and by any alteration or increase or reduction or subdivision or consolidation of the authorised or issued capital of the Company or of any of its subsidiaries, or any variation of the rights attached to any of the shares for the time being in the capital of the Company or of any of its subsidiaries; or
- 4.2 subject to article 4.12, by the disposal of the undertaking of the Company or of any of its subsidiaries or any substantial part thereof or by the disposal of any share in the capital of any subsidiary of the Company; or
- 4.3 subject to article 4.12, by the acquisition of any interest in any share in the capital of any company by the Company or any of its subsidiaries; or
- 4.4 by the application by way of capitalisation of any sum in or towards paying up any debenture or debenture stock of the Company; or
- 4.5 by any alteration of the restrictions on the powers of the directors of the Company and its subsidiaries to borrow give guarantees or create charges; or
- 4.6 by the winding up of the Company; or
- 4.7 by the redemption of any of the Company's shares (otherwise than pursuant to these articles) or by the entering into of a contract by the Company to purchase any of its shares; or
- 4.8 by any alteration of the Company's memorandum or articles of association; or
- 4.9 by any alteration of the Company's accounting reference date; or

- 4.10 by the entering into of a written service agreement or agreement for services with any director or connected person (as defined by section 839 Income and Corporation Taxes Act 1988) or the material variation of any such existing service agreement or agreement for services with any such person; or
- 4.11 by the calling of a meeting of the Company to effect or approve any matter which would by virtue of this article be a variation of the class rights of the "A" ordinary and preference shares.
- 4.12 For the purpose only of Article 4.2 and Article 4.3 the special rights attached to the preference shares and the "A" ordinary shares shall only be deemed to be varied should either of the following occur upon such disposal or acquisition:
- 4.12.1 the net profit attributable to any subsidiary or other undertaking being acquired or disposed of (such net profit to be determined according as near as possible, to the criteria stated in Article 3.1.3) exceeds 13% of the Net Profit of the Company (as determined by Article 3.1.3); or
- 4.12.2 the net assets of the subsidiary or other undertaking, being acquired or disposed of (or the value of the assets being acquired or disposed of) exceeds 13% of the net assets of the Company. For the purpose of this Article 4.12.2 net assets shall be determined by reference to the most recent consolidated financial accounts of the Company and its subsidiaries together, where necessary, with the subsidiary or other undertaking;

PROVIDED THAT in determining whether either of the above criteria are satisfied regard shall also be made to the audited consolidated net profits or net assets as the case may be of any subsidiary or undertaking acquired by the Company after the date of its most recent consolidated financial accounts AND PROVIDED FURTHER THAT the provisions of articles 4.2 and 4.3 shall not apply unless the aggregate consideration paid or received in respect of all such acquisitions or disposals in any relevant financial year is equal to or exceeds £260,000.

Further Issue of Shares

5. 5.1 Notwithstanding any other provisions of these articles the directors shall be bound to offer to any member of the 3i Group (as hereinafter defined) for the time being holding shares in the capital of the Company such a proportion of any shares forming part of the equity share capital of the Company which the directors determine to issue as the aggregate nominal value of shares in the equity share capital of the Company for the time being held by such member of the 3i Group bears to the total issued equity share capital of the Company immediately before the issue of the shares. Any shares issued to a member of the 3i Group pursuant to such offer shall be issued upon no less favourable terms and conditions than those issued to any other person and so that such shares shall at the request of 3i be registered in the name or names of any one or more members of the 3i Group.
- 5.2 For the purposes of these articles the expressions "3i" shall mean 3i Group plc and "a member of the 3i Group" shall mean 3i Group plc, any subsidiary of 3i Group plc, and any company of which 3i Group plc is a subsidiary.

Lien

6. The lien conferred by regulation 8 of Table A shall apply to all shares of the Company whether fully paid or not and to all shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of several joint holders.

Calls

7. The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 of Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

Transfer of Shares

8. The directors shall refuse to register any transfer of shares made in contravention of the provisions of these articles but (subject to regulation 24 of Table A) shall not otherwise be entitled to refuse to register any transfer of shares. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these articles, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question.

9.

- 9.1 Notwithstanding any other provision in these articles any member may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any shares held by him to a Privileged Relation or to trustees to be held upon a Family Trust provided that any transfer of shares to the trustees to be held upon a Family Trust held during the

lifetime of such members may only be made with the consent in writing of the holders of 75% of the "A" ordinary shares.

9.2 For the purposes of these articles:

9.2.1 "Privileged Relation" in relation to a member means the spouse or widow or widower of the member and the member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member's children;

9.2.2 "Family Trust" in relation to any member means a trust which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of that member and/or a Privileged Relation of that member and under which no power or control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or such member or his Privileged Relations shall be deemed to be a member;

9.2.3 "settlor" includes a testator or an intestate in relation to a Family Trust arising respectively under an inter vivos settlement or a testamentary disposition or an intestacy of a deceased member;

9.2.4 Where the consent of a holder of "A" ordinary shares is requested to a transfer to a Family Trust such consent shall be given when the holder is satisfied:

9.2.4.1 with the terms of the trust instrument and in particular with the powers of the trustees;

9.2.4.2 with the identity of the proposed trustees;

9.2.4.3 that the proposed transfer will not result in 50% or more in the aggregate of the Company's equity

share capital being held by trustees of that and any other trusts; and

9.2.4.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.

9.3 Where any shares are held by trustees upon a Family Trust:

9.3.1 on any change of trustees such shares may be transferred to the new trustees of that Family Trust;

9.3.2 such shares may be transferred at any time to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor; and

9.3.3 if and whenever any such shares cease to be held upon a Family Trust (otherwise than in consequence of a transfer to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor) a Transfer Notice (as hereinafter defined) shall be deemed to have been given in respect of the relevant shares (as hereinafter defined) by the holders thereof and such shares may not otherwise be transferred;

9.3.4 for the purposes of this article the expression "relevant shares" means and includes the shares originally transferred to the trustees and any additional shares issued or transferred to the trustees by virtue of the holder of the relevant shares or any of them.

10.

10.1 Save as otherwise provided in these articles every member who desires to transfer any shares (hereinafter called the "Vendor") shall give to the Company notice in writing of such desire (hereinafter called a "Transfer Notice"). Subject as hereinafter mentioned a Transfer Notice

shall constitute the Company the Vendor's agent for the sale of the shares specified therein (hereinafter called the "Sale Shares") in one or more lots at the discretion of the directors to all the holders of "A" ordinary and ordinary shares in the Company (such shares being hereinafter in this article referred to as "Equity Shares") other than the Vendor at the Sale Price. The Sale Price shall be the price agreed by the Vendor and the directors or if the Vendor and the directors are unable to agree a price within 28 days of the Transfer Notice being given or if the Transfer Notice is a deemed Transfer Notice the price which a chartered accountant (acting as an expert and not as an arbitrator) 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 a fair value thereof on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Vendor and the directors or if the Vendor and the directors are unable to agree a price within 28 days of the Transfer Notice being given or if the Transfer Notice is a deemed Transfer Notice the price which a chartered accountant (acting as an expert and not as an arbitrator) 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 a fair value thereof on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction. Save for shares sold pursuant to a deemed Transfer Notice the Transfer Notice may contain a provision that unless all the shares comprised therein are sold by the Company pursuant to this article none shall be sold and any such provision shall be binding on the Company.

10.2 If a chartered 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 save for shares sold pursuant to a deemed Transfer Notice the Vendor shall be entitled by notice in writing given to the Company within ten days of the service upon him of the certified copy to cancel the Company's authority to sell the Sale 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 the Vendor shall bear the cost.

10.3 Upon the price being fixed as aforesaid and provided the Vendor shall not give a valid notice of cancellation the Company shall forthwith offer the Sale Shares to all holders of Equity Shares (other than the Vendor) pro rata as nearly as may be in proportion to the existing numbers of Equity Shares held by such members giving details of the number and the Sale Price of such Sale Shares. The Company shall invite each such member as aforesaid to state in writing within twenty-one days from the date of the notice whether he is willing to purchase any of the Sale Shares so offered to him and if so the maximum thereof which he is willing to purchase. If at the expiration of the said period of twenty-one days there are any Sale Shares offered which any of the members hereinbefore mentioned have not so stated their willingness to purchase the Company shall offer such shares to such members as have stated in writing their willingness to purchase all the shares previously offered to them. Such remaining shares shall be offered pro rata as nearly as may be in proportion to existing numbers of Equity Shares then held by such members which offer shall remain open for a further period of twenty-one days.

10.4 If the Company shall pursuant to the above provisions of this article find a member or members of the Company willing to purchase all or any of the Sale Shares the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons. If the Vendor shall make default in so doing the Company shall if so

required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the Sale Shares as shall have been transferred to them as aforesaid.

- 10.5 If the directors shall not have found a member or members of the Company willing to purchase all of the Sale Shares pursuant to the foregoing provisions of this article the Vendor shall at any time within six months after the final offer by the Company to its members be at liberty to sell and transfer such of the Sale Shares as have not been so sold to any person at a price being no less than the Sale Price.
- 10.6 If a member being a company ceases to be within the control (as such term is defined by Section 840 of the Income and Corporation Taxes Act 1988) of the person(s) who controlled such company on the date on which it became a member of the Company or on the date of adoption of these articles (whichever shall be the later) it shall be deemed to have immediately given a Transfer Notice in respect of all the shares as shall then be registered in its name; provided that this sub-article shall have no application to 3i or to any member of the 3i Group.
- 10.7 The foregoing provisions of this article shall not apply to a transfer if the holders of 75% of the ordinary shares and the holders of 75% of the "A" ordinary shares so direct in writing and the directors shall be obliged to register any such transfer.
11. Notwithstanding any other provisions of these articles a transfer of any shares in the Company held by any member of the 3i Group may be made between the member in the 3i Group holding such shares and any other member in the 3i Group without restriction as to price or otherwise and any such transfer shall be registered by the directors.

Limitation on transfer of control

12.

12.1 No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered without the consent in writing of the holders of 75% of the "A" ordinary shares if as a result of such sale or transfer and registration thereof a Controlling Interest (as hereinafter defined) would be obtained in the Company:

12.1.1 by a company (other than a company to which the immediately following sub-article applies) or by a person or persons (other than a company) who are not Original Members (as hereinafter defined) unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have offered to purchase all the "A" ordinary shares at the Specified Price (as hereinafter defined) and (if not redeemed) all the preference shares at a price per share of at least £1.00 plus a sum equal to any arrears or accruals of the Preference Dividend grossed up at the rate of corporation tax then in force calculated down to the date of sale or transfer; or

12.1.2 by a company in which one or more of the members of the Company or persons acting in concert (which expression shall have the meaning ascribed to it in the October 1990 edition of the City Code on Takeovers and Mergers) with any member of the Company has or as a result of such sale or transfer will have a Controlling Interest.

12.2 For the purpose of this article:

12.2.1 the expression a "Controlling Interest" shall mean an interest in shares in a company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in that company;

12.2.2 the expression "Original Members" shall mean persons who were members of the Company on the date of the adoption of these articles and the Family Trusts and Privileged Relations of such members and the trustees of any trust established for the benefit of any such members and/or Privileged Relations(s) of such members;

12.2.3 the expressions "transfer" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment; and

12.2.4 the expression the "Specified Price" shall mean at the option of the holders of 75% of the "A" ordinary shares either:

12.2.4.1 the subscription price per share plus a sum equal to any arrears or accruals of the dividends on such share grossed up at the rate of corporation tax then in force calculated down to the date of sale or transfer; or

12.2.4.2 the consideration (in cash or otherwise) per share equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for any other shares in the Company plus the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other shares 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 such other shares provided that if any part of the price per share is payable otherwise than by cash the holders of the "A" ordinary shares may at their option elect to take a price per share of such cash sum as may be agreed by them having

regard to the substance of the transaction as a whole,

and in the event of disagreement the calculation of the Specified Price shall be referred to an umpire (acting as an expert and not as an arbitrator) nominated by 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.

- 12.3 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this article.

Voting

13.

- 13.1 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these articles, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative not being himself a member, shall have one vote, and on a poll every member who is present in person or by proxy or (being a corporation) is present by a representative or by proxy shall (except as hereinafter provided) have one vote for every share in the capital of the Company of which he is the holder.

- 13.2 The holders of the preference shares shall be entitled to receive notice of all general meetings but shall not by reason of such holding be entitled to attend or vote thereat.

Appointment of Directors

14. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director. In addition, the holders of shares representing more than half of the

shares which carry the right to attend and vote at general meetings of the Company may by notice to the Company together appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

Proceedings of Directors

15. Notice of every meeting of the directors shall be given to each director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him.

16.

16.1 Subject to the provisions of the Act and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:

16.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;

16.1.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;

16.1.3 may (and any firm or company of which he is a partner or member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;

16.1.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment or from any such transaction or

arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and

16.1.5 shall be entitled to vote and be counted in the quorum on any matter concerning the foregoing paragraphs of this article.

16.2 For the purposes of this article:

16.2.1 a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;

16.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

16.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

Directors' Borrowing Powers

17. Subject as hereinafter provided the directors may exercise all the powers of the Company (whether express or implied):

17.1 of borrowing or securing the payment of money;

17.2 of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts; and

17.3 of mortgaging or charging the property assets and uncalled capital of the company and (subject to section 80 of the Act) of issuing debentures,

but so that:

17.4 the directors of the Company shall procure that the aggregate amounts for the time being remaining undischarged by virtue of any of the foregoing operations by the Company and all subsidiaries of the Company and by virtue of any like operation by the Company and all subsidiaries of the Company (including any liability (whether ascertained or contingent) under any guarantee for the time being in force and including amounts due under any hire purchased, credit sale, conditional sale or leasing agreements (other than leases of real or heritable property) which can in accordance with current accounting practice be attributed to capital but excluding inter-company loans, mortgages and charges) shall not without the previous sanction of the "A" ordinary shareholders and preference shareholders of the "A" ordinary shareholders and preference shareholders exceed a sum which is the greater of £2,750,000 or twice the aggregate of the nominal amount of the share capital of the Company for the time being issued and paid up or credited as paid up and the amounts for the time being standing to the credit of the capital and revenue reserves and the share premium account of the Company and all its subsidiaries (excluding any amounts arising from the writing up of the book values of any capital assets any amounts attributable to goodwill and minority interests and any amounts set aside for future taxation) all as shown by the then latest audited consolidated balance sheet of the Company;

17.5 no such sanction shall be required to the borrowing of any sum of money intended to be applied in the repayment (with or without premium) of

any moneys then already borrowed and outstanding, notwithstanding that the same may result in such limit being exceeded;

- 17.6 no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this article is observed and no debt or liability incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to whom the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed has been or was thereby exceeded;
- 17.7 except with the previous sanction of the holders of 75% of the "A" ordinary shares and the holders of 75% of the preference shares no mortgage or charge shall be created on any part of the undertaking property or assets of the Company or any subsidiary of the Company except for the purpose of securing moneys borrowed from any member of the 3i Group with interest thereon and from bankers with interest thereon and bank charges.

Special Director

18. Notwithstanding any other provisions of these articles 3i shall be entitled to appoint as a director of the Company any person (herein referred to as the "Special Director") approved by the directors (whose approval shall not be unreasonably withheld) and to remove from office any person so appointed and (subject to such approval) to appoint another person in his place. The remuneration and reasonable expenses to be paid to the Special Director shall be payable by the Company and shall be such sum as may be agreed between him and the Company or failing agreement such reasonable sum as shall be fixed by 3i. Upon request by 3i the Company shall also procure that the Special Director be appointed a director to any subsidiary of the Company.

Indemnity

19. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

**THE CELEBRATED GROUP
LIMITED**
**(Formerly Elegant Leisure
Limited)**

BALANCE SHEET

◆ 26 March 1995 ◆

THE CELEBRATED GROUP LIMITED
(formerly Elegant Leisure Limited)

BALANCE SHEET
at 26 March 1995

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