

Company number: 2354796

COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
NOTICE OF SPECIAL RESOLUTIONS

-of-

CAMBRIDGE ARTS AND SCIENCES LIMITED

The following Resolutions were duly passed at an Extraordinary General Meeting of the Company held at 112 Hills Road Cambridge CB2 1PH on 5th April 1995 as Special Resolutions:

SPECIAL RESOLUTIONS

- 1 That the Company adopt new Articles of Association in the form annexed to this Notice of EGM and signed by the company secretary for purposes of identification in substitution for and to the exclusion of all existing Articles of Association of the Company.
- 2 That the authorised share capital be increased to £18,050 by the creation of an additional 27,500 "A" ordinary shares of 10p each having the rights and obligations set out in the Articles of Association of the Company referred to in resolution 1 above.
- 3 That the directors with effect from the time of the passing of this resolution be unconditionally authorised pursuant to Section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot 27,500 "A" ordinary shares of 10p each for a period of one month from the date of the passing of the resolution.
- 4 That the 15,000 ordinary shares of 10p each set out below be converted into "A" ordinary shares of 10p each having the rights and obligations set out in the Articles of Association of the Company referred to in resolution 1 above

Shareholder

Number
of Shares

Registered Number
of Shares

Nicholas Golding
Elizabeth Armstrong
Ann Armstrong
RHM Trust Co Limited and
RHR Trust Co Limited (Ann
Armstrong Settlement)

5,219
4,090
4,090
1,601

.....
Director

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ARTICLES OF ASSOCIATION
- of -
CAMBRIDGE ARTS & SCIENCES LIMITED

Adopted on 5th April 1995

1. INTERPRETATION

1.1 In these Articles the following words and expressions shall have the following meanings:

"The Act" means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force.

"Investors Consent" means consent given by the holders at the relevant time of the majority of the "A" Ordinary Shares,

"Share" means a share in the capital of the Company.

"Shareholders": means a person holding shares in the capital of the Company.

"Table A" means Table A in the Schedule to the Companies (Tables A-F) Regulations 1985.

1.2 References to:-

1.2.1 persons include firms, companies and artificial organisations;

1.2.2 the singular include the plural; and

1.2.3 any gender include all genders;

2. SHARE CAPITAL

2.1 The authorised share capital of the Company at the date of adoption of these Articles is Eighteen thousand and fifty pounds (£18,050.00), divided into 42,500 "A" Ordinary Shares of ten pence each, 136,000 Ordinary Shares of ten pence each and 2,000 preference shares of ten pence each.

2.2 All three classes of shares shall rank pari passu with each other in all respects save as specifically stated in these Articles.



3. PREFERENCE SHARES

- 3.1 Each of the Preference Shares shall carry a right (in preference to all other dividends) to a dividend of £26.00 per preference share to be paid in cash within twenty eight days of the approval by the Company on or after the date of adoption of these articles of its audited accounts showing shareholder funds of not less than £600,000, such shareholder funds to have been calculated (subject to Article 3.2) in accordance with generally accepted accounting principles and all relevant statements of standard accounting practice and financial reporting standards.
- 3.2 For the purposes of ascertaining the value of "shareholder funds", pursuant to Article 3.1, no deduction shall be made from such funds for any dividend paid on the preference shares or any other class of shares in respect of that accounting period.
- 3.3 The provisions of Article 3.1 shall apply until such time as the preference dividend referred to in Article 3.1 is paid.
- 3.4 On payment of the dividend, each of the preference shares shall be automatically converted into one Ordinary Share and shall in all respects rank pari passu with the existing Ordinary Shares in the capital of the Company. The holders of the Preference Shares shall on such payment being made surrender the certificates for those shares and the Company shall immediately issue new certificates for the Ordinary Shares arising on the conversion.

TABLE A

4. The regulations contained in Table A shall apply to the Company except in so far as they are excluded by or are inconsistent with the following Articles.

NEW SHARE ISSUES

5. Any shares of any class which the Directors wish to allot at any time ("New Shares") shall be offered to all Shareholders (of all classes) as follows:-
- 5.1 The Company shall prepare and send to each of its Shareholders a written notice ("the Offer Notice") specifying:-
- 5.1.1 The number of New Shares proposed to be allotted; and
- 5.1.2 The subscription price per share required by the Company;
- 5.1.3 That should a Shareholder wish to apply for any of the New Shares at that price he must within 28 days of the Offer Notice give notice to the Company ("the Acceptance Notice") specifying the maximum number of New Shares he would be prepared to subscribe for.

- 5.2 Service of the Acceptance Notice shall form an irrevocable contractual offer on the part of the Shareholder to subscribe for such number of Shares (not exceeding the maximum he states) as the Company shall allot to him at that price.
- 5.3 On the expiry of the 28 day period specified in Article 5.1.3 the Company shall by written notice to all Shareholders ("the Allotment Notice") allot the New Shares to or amongst those of the Shareholders as have served Acceptance Notices and (in the case of competition) so far as practicable pro rata to the number of shares (of whatever class) held by them at the date of the Offer Notice provided that no applicant shall be obliged to take up more shares than he has applied for.
- 5.4 The allottees shall on receipt of the Allotment Notice pay the subscription monies by cash or cheque to the Company.
- 5.5 Within 7 days of the Allotment Notice or on receipt of the relevant subscription monies in cleared funds (whichever is the later) the Company shall issue the shares applied for by that Shareholder and issue a share certificate for the Share(s) allotted to him.
- 5.6 Any New Shares not taken up by this procedure shall for a period of five years from the date of adoption of these articles be under the control of the Directors who may for a period of two months following the Allotment Notice allot them to such person(s) and on such terms as they think fit provided that the subscription price per share shall be no lower than that specified in the Offer Notice.
- 5.7 Section 89 of the Act shall not apply to any issue of shares made by the Company pursuant to any authority to issue shares in place at the date of adoption of these Articles.

LIEN

6. The Company shall have a first and paramount lien on every Share for all money (whether presently payable or not) called or payable at a fixed time in respect of that Share, and the Company shall also have a first and paramount lien on all Shares registered in the name of any person (whether solely or jointly with others) for all money owing to the Company from him or his estate either alone or jointly with any other person whether as a Shareholder or not and whether such money is presently payable or not. The directors may at any time declare any Share to be wholly or partly exempt from the provisions of this article. The Company's lien on a Share shall extend to any amount payable in respect of it.

PROCEEDINGS AT GENERAL MEETINGS

7. A poll may be demanded at any general meeting by any member entitled to vote thereat. Regulation 46 of Table A shall be modified accordingly.
8. The Chairman of a general meeting shall not have a second or casting vote.

9.1 On a show of hands or on a poll votes may be given either personally or by proxy. A member may appoint only one proxy to attend on each occasion.

9.2 Every Share shall have one vote.

10. APPOINTMENT REMUNERATION AND RETIREMENT OF DIRECTORS AND CONDUCT OF BUSINESS

10.1 Each holder of "A" Ordinary Shares shall, whilst they hold shares in the Company representing not less than 2.2% of the total issued ordinary share capital of the Company taking "A" ordinary shares and ordinary shares as a single class, and each holder of ordinary shares shall, whilst they hold shares in the Company representing not less than 10% of the total issued ordinary share capital of the Company taking 'A' ordinary shares and ordinary shares as a single class, be entitled to be represented on the board of directors by one director (who may be the holder for himself) who may, despite his duties to the Company, divulge to the person whom he represents such information concerning the Company's business and prospects as he shall consider necessary to enable that person to monitor their investment. For the purposes of this article, the registered shareholdings of a husband and wife shall be combined if they so elect and an appointment of a director by either of them in respect of their combined holding shall be permitted. *and ignoring other classes of share. 26*
Dr. M Williamson
and Dr J Williamson *and no registered member who holds shares as trustee shall be entitled to appoint a director pursuant to this article. 26*

10.2 The right to appoint a director granted by 10.1 shall be capable of exercise by the person holding the right depositing with the Company at its registered office a notice naming the director to be appointed, accompanied by a signed form 288 giving that director's consent to act. The appointment will be immediately effective. The shareholder represented may remove his appointed director and appoint further directors, in the same way. *26*

10.3 Any director appointed by a holder of 'A' ordinary shares shall have three votes. Any director appointed by a holder of ordinary shares will have four votes and any other director one vote at board meetings.

10.4 The chairman of the board (who shall be a director appointed by the holders of the ordinary shares) shall have a second or casting vote.

11. The Company hereby appoints a remuneration committee whose members shall be all non-executive directors appointed by the 'A' ordinary shareholders pursuant to Article 10, which committee shall be solely entrusted with determining the remuneration, benefits and terms and conditions of engagement of the executive directors of the Company ~~and any other employee~~ *26*
~~earning an amount in excess of £20,000 per annum.~~ The committee may meet together and regulate their proceedings as they see fit but in default of agreement on the manner of meeting and regulating proceedings the provisions of these Articles relating to Board Meetings shall apply.

12. The directors shall not be required to retire by rotation and articles 73 to 80 of Table A shall not therefore apply.

13.1 The Company agrees that it will not, and each of the Existing Shareholders shall so far as they are able procure that the Company does not, without Investors Consent:-

13.1.1 enter into any contract, arrangement or commitment involving expenditure on capital account or the realisation of capital assets (and the purpose of this clause the aggregate amount payable under an agreement for hire, hire purchase or purchase on credit sale or conditional sale is to be treated as capital expenditure incurred in the year in which the agreement is entered into) other than in the event of an emergency, in which circumstances the Company may replace existing equipment, provided that such expenditure in respect of any one emergency shall not exceed Two thousand, five hundred pounds (£2,500.00).

13.1.2 make any public offer of shares in the capital of the Company or seek admission of those shares to the official list of The Stock Exchange or any other list of any recognised investment exchange;

13.1.3 appoint a liquidator or pass any resolution whereby the Company may be wound up;

13.1.4 approve any transfer of shares in the capital of the Company in breach of any provision of the New Articles;

13.1.5 confer on its Shareholders (or persons connected with them) any benefit (including concessionary terms for education at the college operated by the Company) other than as specifically provided by the New Articles or the Service Agreements;

13.1.6 take or agree to take a leasehold interest in or licence over land;

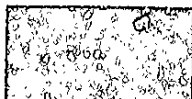
13.1.7 enter into any contract or transaction except in the ordinary and proper course of the Business on arms length terms;

13.1.8 other than in the ordinary course of business, enter into any contract which is "long term" that is to say which cannot be terminated without penalty on the Company by notice of not longer than six months;

13.1.9.1

make any loan or advance of any amount to any director or salaried employee of the Company, or give credit to any director or salaried employee of the Company, apart from deposits with bankers which are repayable on the giving of not more than 7 days notice;

13.1.9.2



make any loan or advance of any amount or give credit to any non-salaried employee of the Company other than loans or credit which do not exceed One hundred and fifty pounds (£150.00) in aggregate to any one person PROVIDED THAT such loans or credit are granted on the basis that they are repayable in less than thirty-one days and the recipient consents to such monies being recouped from his wages pursuant to the Wages Act 1986 or other applicable statutes;

13.1.9.3

make any loan or give credit to any student who is enrolled at the college other than in accordance with the practice and procedure in effect at the date of adoption of these articles;

13.1.10 give a guarantee or indemnity to secure the liabilities or obligations of any person;

13.1.11 make any investment in a company or business other than the Business;

13.1.12 make any item of expenditure, or commit to do so, not specifically provided for by a budget previously agreed by the Board other than expenditure of up to Five hundred pounds (£500.00) in total in any one calendar month;

13.1.13 borrow any sum other than the amounts provided by the bank facilities copies of which appear in the disclosure letter, nor alter the terms of those facilities;

13.1.14 create any security of any nature over any of the property or assets of the Company other than retention of title provisions which apply to goods acquired by the Company;

13.1.15 appoint or dismiss a director other than pursuant to Article 10.1;

13.1.16 issue any shares, capitalise any reserves, alter the rights attaching to any class of shares, consolidate, sub-divide or convert any of the Company's share capital or issue securities convertible into shares or debentures, share warrants or options in respect of shares;

13.1.17 alter these Articles or pass a resolution inconsistent with them;

13.1.18 sell, transfer, lease, assign or otherwise dispose of a material part of the company's business or its assets;

3.2 On any resolution to remove a director appointed under Article 10.1, to do anything requiring Investors Consent under Article 13.1 without that consent or to revoke or amend the appointment of the Remuneration Committee, the 'A' ordinary shares shall carry one thousand votes per share.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

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14. Regulation 81 of Table A shall be amended by substituting for paragraphs (c) and (e) thereof the following provisions:

(c) He becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director; or

(e) He is otherwise duly removed from office.

PROCEEDINGS OF DIRECTORS

15. Regulation 88 of Table A shall be amended by substituting for the sentence:

It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom.

the following sentence:

Notice of every meeting of directors shall be given to each director or his alternate director, including directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company an address for service outside the United Kingdom.

16. Any director (including an alternate director) may participate in a meeting of the directors or a committee of directors of which he is a member by means of a conference telephone or similar communication equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting for all purposes including quorum.

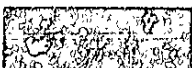
17. Subject to such disclosure as is required by section 317 of the Act a director shall be entitled to vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty notwithstanding that such interest or duty may conflict with the interests of the Company and Articles 94 and 95 of Table A shall not apply.

INDEMNITY

18. The Company may in such manner as may be permitted by law take out and maintain (or pay the expenses of any of its officers personally taking out and maintaining) insurance covering any of its officers for liabilities incurred by them by reason of their being officers of the Company. Article 118 of Table A shall also apply.

TRANSFER OF SHARES

General



19. The Directors may refuse to register any transfer in accordance with the provisions of Article 24 in Table A. Subject to those provisions the Directors shall not refuse to register a transfer of shares executed in accordance with the following articles.

RELATED PARTIES

20. Shares may be transferred freely and without following the procedures set out in Articles 21 to 24 by Shareholders at the date of adoption of these articles to any person who is;

- (a) The spouse, brother, sister, parent, grandparent, son, daughter, grand-son or granddaughter of that shareholder;
- (b) The trustee of any trust or settlement for the benefit of that Shareholder and/or persons specified in article 20(a);
- (c) Companies controlled by that Shareholder and for or persons specified in 20 (a) or (b);

And this clause shall also apply on death, the representatives of the deceased being entitled to transfer the shares as if they were the deceased and he had not died.

Provided that on any such persons ceasing to be connected to the Shareholder in whose name the Shares concerned are currently registered that person shall within one month of such cessation transfer those Shares back to such Shareholder or to persons then connected with that Shareholder and failing such transfer shall be deemed to have served a Transfer Notice (as defined in Article 21 below) offering those Shares for sale at their par value. For the purposes of establishing compliance with this article and Article 21 the provisions of Section 212 of the Act shall apply as if the Company were a public company. If any shareholder fails to comply with those provisions the Company may by notice to the shareholder served within 30 days of the failure occurring give notice that the provisions of Article 28 shall apply as if the shareholder in breach were bankrupt.

21. CHANGE OF CONTROL

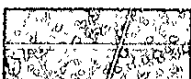
21.1 In this Article the following expressions have the following meanings:-

21.1.1 "Change of Control" means a transfer of shares which would, if completed, result in a person (or persons Acting in Concert) acquiring Control of the Company;

21.1.2 the question of whether someone is Acting in Concert shall be determined in accordance with The City Code on Take-overs and Mergers;

21.1.3 Control of the Company shall mean the acquisition of a majority of the issued share capital of the Company.

21.2 The Board shall not register a Change of Control unless it is satisfied that:-



21.2.1 Investors Consent has been given; and

21.2.2 an offer has been made to all shareholders to transfer their shares on the same terms as the best offer made by the person acquiring control;

and all shareholders shall supply all such information as the Board requires to enable them to determine whether this article has been complied with, and the transfer need not be registered until it has. This Article shall in the event of inconsistency prevail over Articles 22 to 28.

22. Any Shareholder who wishes to transfer any Share in any other way ("a Vendor") shall give notice of such intention in writing to the Company ("a Transfer Notice"). The Transfer Notice shall specify:-

- the number of shares which the Vendor wishes to transfer ("the Transfer Shares")
- the price per share which he requires; and
- the identity of the person(s) (if any) to whom he wishes to transfer the Transfer Shares.

The Transfer Notice may contain a provision that unless all the Transfer Shares are sold pursuant to this article, none shall be so sold ("a total transfer condition").

The Transfer Notice shall be accompanied by all certificates for the Transfer Shares. The Company may require from any person lodging a transfer pursuant to this article such information and evidence as the directors think fit having regard to any matter in which they deem relevant for the purposes of this article. The Transfer Notice shall constitute an irrevocable instruction by the Vendor to the Company to offer the Transfer Shares on its behalf in accordance with the following procedure.

23. On receipt of the Transfer Notice the Company shall by written notice to each of the other shareholders and on behalf of the Vendor ("the Offer Notice") offer the Transfer Shares for sale to the other Shareholders and invite each of the offerees to irrevocably state in writing within 28 days of the date of the Offer Notice whether they are willing to purchase any, and if so what maximum number, of the Transfer Shares at the price specified in the Transfer Notice. The Offer Notice shall be accompanied by a copy of the Transfer Notice.

24. At the expiration of the said 28 day period the Company shall provided that any total transfer condition specified has been met allocate the Transfer Shares to or amongst such of the applicants (if any) as shall by written notice to the Company have expressed their willingness to purchase any of them as aforesaid and (in the case of competition) so far as practicable they shall be allocated in proportion to the number of shares held by them at the date of the Transfer Notice provided that no applicant shall be obliged to purchase more shares than he has applied for. An allocation of Transfer Shares shall constitute a binding contract between the Vendor and the persons to whom they are allocated to sell those Transfer Shares at the price per share specified in the Transfer Notice.

25. The Company shall forthwith give notice in writing to all shareholders (including the Vendor) to the effect either that the total transfer condition has not been met or that the Transfer Shares have been allocated, the number and breakdown of Transfer Shares allocated and the persons to whom allocations have been made ("the Allocation Notice").

26. Completion of the sale and purchase of the Transfer Shares shall take place on the tenth business day after the date of the Allocation Notice whereupon the Vendor shall, upon payment of the price due in respect thereof, transfer the Transfer Shares specified in the Allocation Notice to the persons to whom they have been allocated. If the Vendor makes default in transferring any Shares in accordance with the Allocation Notice, the Company may receive the purchase money on the Vendor's behalf, authorise some person to execute a transfer of such Shares in favour of the person to whom they have been allocated and may accept such execution as valid when registering the transfer. The receipt of the Company of the purchase money shall in such a case be a good discharge to the purchaser. The Company shall in discharge of all obligations to the Vendor send to the Vendor at its address set out in the register of members a cheque for the purchase monies received.

27. The Vendor shall be at liberty, during the period of 30 days following the Allocation Notice, to transfer those of the Transfer Shares as have not been allocated as above to the potential transferee(s) (if any) or to any other person specified in the Transfer Notice at a price not lower than, and otherwise on the same terms, as specified in the Transfer Notice.

BANKRUPTCY OF A SHAREHOLDER

28. In the event of the bankruptcy of a Shareholder the trustee in bankruptcy shall be deemed to have served a Transfer Notice in respect of all Shares held by that Shareholder in which notice the price per share shall be an amount determined as the net asset value of the Company as shown in the last audited accounts of the Company divided by the number of shares then in issue in the Company.

The Company shall on behalf of the trustee issue an Transfer Notice as soon as it becomes aware of such bankruptcy. The Offer shall be open for a period of 28 days after determination by the Company of the price per share but otherwise Articles 21 to 26 shall apply. Articles 30 and 31 of Table A shall apply, subject to these provisions.

