

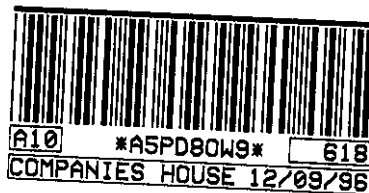
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THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION OF
OF
SOUTHBROOK STUDIOS LIMITED

Incorporated the 2nd day of May, 1990



No. 2504301

The Companies Act 1985

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

of

SOUTHBROOK STUDIOS LIMITED*

1. The Company's name is Southbrook Studios Limited.*
2. The Company's registered office is to be situated in England Wales.
3. The Company's objects are:
 - (A) (i) To purchase for investment securities of any nature whatsoever and take on lease or in exchange, or otherwise acquire for any estate or interest any lands, buildings, easements, licences, rights or privileges over or in respect of freehold or leasehold land, but so that the Company may acquire the same for the purposes of investment only and with a view to holding or managing the same and receiving the income thereof and shall not have power to deal or traffic in lands, buildings, leases, underleases, investments or securities and so that if from time to time it shall be found necessary or advisable for the Company to realise all or any part of its property or assets the Company shall have power to do so, but any surpluses or deficiencies arising on or from such realisation as aforesaid shall be capital surpluses not available for distribution, or capital deficiencies as the case may be, provided that nothing herein contained shall prohibit the Company from capitalising any capital surplus.
 - (ii) To co-ordinate the management and activities of any subsidiary companies.
 - (iii) To act as investment managers and advisers.
- (B) To carry on any other trade or business which can, in the opinion of the Board of Directors, be advantageously carried on by the Company.
- (C) To acquire by purchase, lease, exchange, hire or otherwise, or to hold for any estate or interest, any land, buildings, easements, rights, privileges, concessions, patents, patent

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By a Special Resolution passed on 7th June, 1990, the name of the Company was changed from "Wiregrange Limited" to "Southbrook Studios Limited". The Certificate of Incorporation on Change of Name was issued by the Registrar of Companies on 20th June, 1990.

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.

- (D) To erect, alter or maintain any buildings, 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 acquire by subscription or otherwise and hold, sell, deal with or dispose of any shares, stock, debentures, debenture stocks, or other securities of any kind whatsoever, guaranteed by any company constituted or carrying on business in any part of the world and debentures, debenture stock and other securities of any kind guaranteed by any Government or Authority, Municipal, Local or otherwise, whether at home or abroad, and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by the ownership thereof.
- (F) To receive money on deposit either without security or secured by debentures, debenture stock (perpetual or terminable), mortgage or other security charged on the undertaking or on all or any of the assets of the Company including uncalled capital, and generally to act as bankers.
- (G) To borrow and raise money in any manner and to secure with or without consideration the repayment of any money borrowed, raised, or owing by mortgage, charge, debenture, debenture stock, bond, standard security, lien or any other security of whatsoever nature upon the whole or any part of the Company's property or assets (whether present or future) including its uncalled capital, and also by a similar mortgage, charge, debenture, debenture stock, bond, standard security, indemnity, lien or security of whatsoever nature to secure and guarantee the performance by the Company or any other company or person (including, but without prejudice to the generality of the foregoing) the holding company of the Company or any company which is a subsidiary of such holding company within each case the meaning of section 736 of the Act, of any obligation or liability it or such person or company may undertake or which may become binding upon it or such person or company, and to secure any securities of the Company by a Trust Deed or other assurance and to enter into partnership or any joint purse arrangement with any person, persons, firm or company.
- (H) To lend money with or without security, and to invest money of the Company upon such terms as the Company may approve, and to guarantee the dividends, interest and capital of the shares, stocks and securities of any company of or in which the Company is a member or is otherwise interested, and generally as the Directors think fit.
- (I) To apply for, purchase or otherwise acquire and hold or use any patents, licences, concessions, copyrights and the like, conferring any right to use or publish any secret or other information and to use, exercise, develop or grant licences in respect of the property, rights or information so acquired.
- (J) To take part in the formation, management, supervision or control of the business or operation or any company or undertaking and for that purpose to appoint and remunerate any Directors, Accountants, Consultants, experts or agents.

- (K) To employ experts, consultants and valuers to investigate and examine the condition, prospects, value, character and circumstances or any business concerns and undertakings and generally of any assets, property or rights.
- (L) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition or taking over of all or any of the assets or liabilities of the Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or the interests of the Company and to acquire, hold or dispose of shares, stocks or securities issued by or any other obligations of any such other company.
- (M) To draw, accept and negotiate promissory notes, bills of exchange and other negotiable instruments.
- (N) To invest and deal with the monies of the Company not immediately required for the purposes of the business of the Company in or upon such investments and in such manner as the Company may approve.
- (O) To pay for any property or rights acquired by the Company either in cash or by the issue of 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.
- (P) 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 or stock of any company or corporation, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or 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.
- (Q) To enter into arrangements for joint working in business or amalgamate with or enter into any partnership or arrangement for sharing profits, union of interests, reciprocal concession or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of the Company or which is capable of being carried on so as directly or indirectly to benefit the Company.
- (R) To purchase or otherwise acquire, take over and undertake all or any part of the business, property, liabilities and transactions of any person, or company carrying on any business the carrying on of which is calculated to benefit the Company or to advance its interests, or possessed of property suitable for the purposes of the Company.
- (S) To see, improve, manage, develop, turn to account, exchange, let on rent, 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.

- (T) To provide for the welfare of persons employed or formerly employed by the Company and to grant pensions, allowances, gratuities and bonuses to officers or ex-officers, employees or ex-employees of the Company or its predecessors in business or of any associated company of the Company or its predecessors in business or the dependants of such persons and to establish and maintain or concur in establishing and maintaining trusts, funds or schemes (whether contributory or non-contributory), with a view to providing pensions or other funds for any such persons as aforesaid or their dependants.
- (U) To subscribe to or otherwise aid the establishment and support of, any schools and any educational, scientific, literary, religious or charitable institutions or trade societies, whether such institutions or societies be solely connected with the business carried on by the Company or its predecessors in business or not, and to institute and maintain any club or other establishment.
- (V) To distribute in specie assets of the Company properly distributable amongst the members, 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.
- (W) To do all or any of the things hereinbefore authorised, either alone or in conjunction with others, or as factors, trustees or agents for others, or by or through factors, trustees or agents.
- (X) To do all such other things as are incidental to or which the Company may think conducive with the above objects or any of them.

The objects set forth in any sub-clause of this clause shall not be restrictively construed but the widest interpretation shall be given thereto, and they shall not, except when the context expressly so requires, be in any way limited to or restricted by reference to or inference from any other object or objects set forth in such sub-clause or from the terms of any other sub-clause or by the name of the Company. None of such sub-clauses or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the Company shall have full power to exercise all or any of the powers and to achieve or to endeavour to achieve all or any of the objects conferred by and provided in any one or more of the said sub-clauses.

4. The liability of the Members is limited.

5. The Share Capital of the Company is £1,950,000 divided into 1,250,000 Ordinary Shares of £1 each and 700,000 10% Cumulative Convertible Redeemable Preference Shares of £1 each.*

* (1) By Ordinary Resolution passed on 28th June, 1991 the authorised share capital of the Company was increased from £1,000 to £750,000 by the creation of 749,000 ordinary shares of £1 each ranking *pari passu* with the existing shares of the Company.

(2) By a second Ordinary Resolution passed on 28th June, 1991 the authorised share capital of the Company was increased from £750,000 to £1,250,000 by the creation of 500,000 ordinary shares of £1 each ranking *pari passu* with the existing shares of the Company.

(3) By a Special Resolution passed on 17th March, 1993 the authorised share capital of the Company was increased from £1,250,000 to £1,800,000 by the creation of 550,000 10% Cumulative Convertible Redeemable Preference Shares of £1 each having the characteristics set out in the articles of association of the Company.

(4) By a Special Resolution passed on 28th August 1996 the authorised share capital of the Company was increased from £1,800,000 to £1,950,000 by the creation of 150,000 10% Cumulative Convertible Redeemable Preference shares of £1 each having the characteristics set out in the articles of association of the Company.

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

Names and Addresses of Subscribers	Number of Shares Taken by each Subscriber
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SUNDER MANSUKHANI Classic House 174-180 Old Street London ECIV 9BP	ONE
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LYNN HUGHES Classic House 174-180 Old Street London ECIV 9BP	ONE
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Dated the 4th day of January, 1990

Witness to the above Signatures:

MAURICE GRIFFIN
Classic House
174-180 Old Street
London
ECIV 9BP

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

(Amended by Special Resolution
passed on 17th March, 1993, Amended
by Special Resolution passed on 28th August 1996)

- OF -

SOUTHBROOK STUDIOS LIMITED

Incorporated the 2nd day of May 1990

No. 2504301

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

**NEW
ARTICLES OF ASSOCIATION**

- OF -

SOUTHBROOK STUDIOS LIMITED

Amended by Special Resolution
passed on 17th March, 1993, Amended by
Special Resolution passed on 28th August 1996

PRELIMINARY

1. Subject as hereinafter provided, and so far as the same are not inconsistent with these Articles, the regulations contained or incorporated in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985, as amended, ("Table A") shall apply to the Company.
2. These Articles and the regulations incorporated herein shall take effect subject to the requirements of the Companies Act 1985 ("the Act") (as modified or re-enacted from time to time) and of every other Act for the time being in force affecting the Company (hereinafter together referred to as "the Statutes").
3. In these Articles, where the context so permits, words importing the singular number only shall include the plural number, and vice versa, words importing the masculine gender only shall include the feminine gender, words importing persons shall include corporations and the expression "paid up" shall include credited as paid up.

SHARE CAPITAL

4. The share capital of the Company is £1,950,000 divided into 700,000 10 per cent. Cumulative Convertible Redeemable Preference Shares of £1 each ("Preference Shares") and 1,250,000 Ordinary Shares of £1 each ("Ordinary Shares"). The Preference Shares have the special rights and privileges and are subject to the restrictions set out in Articles 29 to 35 inclusive.
5. Subject to any direction to the contrary that may be given by the Company by ordinary resolution and subject to the consent of the holders of a majority of the Preference Shares in issue any new shares from time to time to be created which are to be issued at any time after the date of adoption of these Articles shall be offered to the holders of the existing issued shares

respectively in proportion as nearly as may be to their existing holdings and on the basis that the conversion rights attaching to the Preference Shares shall be deemed to have been exercised. Such offer shall be made by notice in writing specifying the number and class of shares offered and limiting a period (not less than 14 days) within which the offer if not accepted shall be deemed to be declined and after the expiration of such time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered the directors may dispose of the same to other members of the Company in such proportions as may be resolved by ordinary resolution passed at a meeting of the members or if the members cannot so resolve the directors may dispose of the same in such manner as they think fit. Save as provided above Sub-Section 89(1) and Section 90 of the Act shall be excluded from applying to allotments of equity securities (as defined in that section) by the Company.

LIENS AND CALLS ON SHARES

6. In Regulation 8 of Table A the words and brackets "(not being a fully paid share)" shall be deemed to be deleted.

TRANSFER AND TRANSMISSION OF SHARES

7. (A) (1) Any member, and any person entitled to shares by transmission from a member, who holds or is entitled to a majority of Ordinary Shares from time to time may transfer without restrictions, all or any shares in the Company held by him.
- (2) Any member and any person entitled to shares by transmission from a member shall be entitled at any time to transfer any of his shares which are (or were before transmission) not subject to any trust to the spouse, children or remoter issue of such member or to trustees to be held upon Family Trusts of such member. The expression "Family Trusts" of a member means trusts under which no beneficial interest in the shares in question is for the time being vested in any person other than such member or the spouse, children or remoter issue of such member.
- (3) (a) Any shares held upon Family Trusts of a member or former member may be transferred to new trustees of such Family Trusts or to the spouse, children or remoter issue or other Family Trusts of such member or former member; and
- (b) Whenever any of such shares come (or would but for the provisions of this Article come) to be held otherwise than upon Family Trusts of such member or former member (otherwise than in connection with a transfer by the trustees authorised under this Article) it shall be the duty of the trustees to notify the Company that such event has occurred and to give a Transfer Notice pursuant to this Article 7 in respect of such shares. If the trustees fail to give such Transfer Notice before the shares become (or would have become) so held they shall be deemed to have served the Company with a Transfer Notice in respect of such shares and the Specified Price shall be the fair value determined by the auditors for the time being of the Company (the "Auditors") in accordance with Paragraph (E) below. Such Transfer

Notice shall be deemed to have been received by the Company on the date on which the Directors shall receive actual notice of such shares being held otherwise than upon Family Trusts.

- (4) Shares may be transferred by a corporate member to any subsidiary of such member provided that in the event of any such transferee ceasing to be a subsidiary of the original member it shall be deemed to have served a Transfer Notice pursuant to the provisions of this Article in respect of such shares, the Specified Price being the fair value which shall be ascertained by the Auditors pursuant to Paragraph (E) of this Article. Such Transfer Notice shall be deemed to have been received by the Company on the date on which the Directors shall receive actual notice of such change in the relationship between the said companies.
- (5) Transfers permitted under the provisions of this Paragraph (A) of this Article are called "Permitted Transfers".
- (B) A member or person entitled to transfer a share who intends to dispose of, deal with or create any interest in any of his shares in the Company or any interest therein other than by a Permitted Transfer (the "Vendor") shall forthwith give notice in writing to the Directors of his intention (the "Transfer Notice") specifying the shares concerned (the "Sale Shares") and the price per share (the "Specified Price") at which he is willing to sell the Sale Shares.
- (C) The Transfer Notice shall constitute an offer by the Vendor for the sale of the Sale Shares to the other members of the Company at the lower of the Specified Price and the fair value fixed as hereinafter provided and shall constitute the Directors the agents of the Vendor for such sale. The Transfer Notice may contain a condition that the Vendor is not willing to transfer part only of the Sale Shares but such condition may be waived by the Vendor in accordance with Paragraph (H) of this Article.
- (D) Within 7 days after actual or deemed receipt of the Transfer Notice the Directors shall give notice (the "Directors' notice") to all the members (other than the Vendor) of the number and description of the Sale Shares and the Specified Price inviting each of such members to state by notice in writing to the Company whether he is willing to purchase (and accordingly accepts the offer to purchase) any and, if so, what maximum number of the Sale Shares, (his "Maximum") and shall state a period of 28 days from the date of despatch of the Directors' notice, during which the offer will remain open (the "Offer Period").

The Directors' notice shall state that any such member to whom it is sent may require the Specified Price to be referred to the Auditors in accordance with Paragraph (E)(1) below by written notice given to the Directors within 14 days of service of the Directors' notice. The Directors shall also forthwith serve a copy of their notice on the Vendor.
- (E) (1) Within 14 days of first being offered any of the Sale Shares by service of a Directors' notice issued pursuant to paragraph (D) above any member may by notice in writing to the Directors require that the Specified Price be referred to the Auditors. Upon receipt of such notice by the Directors the Offer Period shall cease to run.

- (2) The Auditors shall report in writing to the Directors and the members what in their opinion is the fair value per share of the Sale Shares as between a willing vendor and a willing purchaser on the basis that the Sale Shares are not subject to any restrictions in respect of their transferability, such calculation to be made on the basis set out in Paragraph (3) of this Article.
- (3) The Auditors will calculate what in their opinion is the fair value per share of the Sale Shares without taking account that, if such be the case, the Sale Shares being disposed of carry a minority interest. For this purpose the Preference Shares shall be valued at par plus the amount of all arrears and additional amounts accrued thereon (if any). The calculation of the value of the Ordinary Shares shall be on the following basis.

$$\frac{\text{No. of Ordinary Shares in issue being disposed of}}{\text{Total no. of Ordinary Shares in issue}} \times \text{Total value of Ordinary Shares in issue}$$

- (4) In so reporting the Auditors shall act as experts and not as arbitrators and accordingly the Arbitration Acts 1950 and 1979 and any statutory modification or re-enactment thereof for the time being in force shall not apply and their determination of the fair value per share of the Sale Shares shall be final and binding upon all concerned (save for any error apparent on the face of their report, which shall be immediately rectified). Save as hereinafter provided, the costs of the Auditors' report shall be borne by the Company (save to the extent and in the proportions that the Auditors shall direct the same be borne by the Vendor and/or the member(s) who required the matter to be referred to them).
- (5) The Directors shall use their best endeavours to procure that the Auditors report on the fair value within 30 days of the matter being referred to them. Upon receipt of such report the Directors shall immediately give written notice of the fair value both to the Vendor and to the other members of the Company.
- (F) Subject to Paragraph (N) below, if the fair value as so determined is not acceptable to the Vendor he may, by notice in writing to the Directors, within 7 days of being notified of such fair value revoke the Transfer Notice and the Directors shall forthwith notify all other members. Save as aforesaid the Transfer Notice shall not be revocable.
- (G) In the absence of any such revocation of the Transfer Notice the full Offer Period of 28 days shall begin to run again from the date of despatch of the notification to the other members of the Auditors' report.
- (H) If the Directors do not receive acceptances in respect of all the Sale Shares by the expiry of the Offer Period and the Transfer Notice states that the Vendor is not willing to transfer part only of the Sale Shares the Directors shall notify the Vendor and, if the Vendor has not waived the said condition by written notice to the Directors within 7 days of the Directors' notification, the Directors shall not make an allocation under Paragraph (I) below and Paragraph (L) below shall apply.

- (I) Subject to Paragraph (H) above, at the expiration of the Offer Period the Directors shall allocate the Sale Shares to or amongst such of the members as shall have expressed their willingness to purchase (the "Acceptors"), and such allocation shall be made so far as practicable pro rata according to the nominal amounts of the Sale Shares that such persons have expressed a willingness to purchase but, in the case of each Acceptor, shall not exceed his Maximum. If all the Sale Shares are not allocated in such allocation then the Directors shall make further allocations of the Sale Shares amongst the Acceptors until all the Sale Shares have been allocated or each Acceptor has been allocated his Maximum. Each such further allocation shall be made amongst the Acceptors who prior to such further allocation had not been allocated their Maximum, and shall be made as far as practicable pro rata according to the nominal amount of the share capital held by each such Acceptor, but in the case of each Acceptor the total number of shares allocated under this Paragraph (I) shall not exceed his Maximum. If any Sale Shares shall not be capable without the use of fractions of being allocated as aforesaid the same shall (to the extent that fractions would arise) be allocated in such proportions or in such manner as may be determined by lots to be drawn under the direction of the Directors.
- (J) Upon such allocation being made, the holders of or amongst whom such allocation shall have been made shall be bound to pay the purchase price for, and to accept a transfer of, the shares so allocated to them respectively and the Vendor shall be bound, upon payment of the purchase price by means of a bankers draft drawn in favour of the Vendor on a London clearing bank and available for immediate credit, to transfer such shares to the respective purchasers. Completion of such sale shall take place at the Company's principal place of business (or such other place as the Vendor and the Acceptors may agree) within 14 days of such allocation being made.
- (K) If in any case the Vendor, after having become bound to transfer shares as aforesaid, makes default in so doing the Company may receive the purchase price and the Directors may appoint some person to execute instruments of transfer of such shares in favour of the purchasers and subject to due stamping of the instruments of transfer cause the names of the purchasers to be entered in the Register of Members of the Company as the holders of the shares and hold the purchase price in trust for the Vendor. The receipt of the Company therefor shall be a good discharge to the purchasers, and after their names shall have been entered in the Register of Members of the Company in exercise of the aforesaid power the validity of the transactions shall not be questioned by any person.
- (L) If, at the expiration of the Offer Period any of the Sale Shares shall not have been sold in accordance with the provisions of this Article, the Vendor may (subject to the provisions of Article 8) at any time within a period of 90 days after the expiration of the Offer Period transfer the Sale Shares not so sold to any person and at any price per share not being less than the lower of the Specified Price and (if appropriate) the fair value ascertained pursuant to Paragraph (E) above (after making such adjustment as shall be fair and reasonable to take account of any difference in such price arising from the Sale Shares being transferred with or without the benefit of any dividend or other distribution), provided that:-
- (i) if the Transfer Notice shall state that the intending transferor is not willing to transfer part only of the Sale Shares and he shall not have waived that condition in accordance with Paragraph (H) of this Article he shall not be

entitled to transfer any of such shares unless in aggregate the whole of such shares are so transferred; and

- (ii) the Directors may require to be satisfied that such shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument of transfer.
 - (M) If a member or other person entitled to transfer a share or any person having any interest in a share at any time attempts to deal with or dispose of the share or any interest therein or create any interest therein otherwise than in accordance with the foregoing provisions of this Article, the registered holder of such share or other person entitled to transfer such share shall be deemed immediately prior to such attempt to have served the Company with a Transfer Notice in respect of such share with the Specified Price being the fair value which shall be ascertained pursuant to Paragraph (E) of this Article and the provisions of this Article shall thereupon apply to the share. Such Transfer Notice shall be deemed to have been received by the Company on the date on which the Directors shall receive actual notice of such attempt.
 - (N) Any Transfer Notice which is required to be made or deemed to be made under Paragraph (A) or Paragraph (M) above, or Article 10 below shall be irrevocable. Any transfer of such shares made in pursuance of this Article or Article 10 below following such Transfer Notice shall pass the absolute legal and beneficial title to such shares to the transferees (including all rights attaching thereto and the right to receive all dividends and other distributions declared or made in respect of such Shares after the date of such transfer) and shall be deemed to have been executed on behalf of all persons having any interest in such shares. The purchase price for such shares shall be paid to or held on trust for the Transferor in accordance with Paragraph (K) above. Neither the Company nor the Transferee shall be otherwise bound to see to the application of the purchase price, nor shall they be bound by or compelled to recognise any interest in such shares other than that of the Transferor even when having notice thereof.
 - (O) No share and no interest in any share may be or is capable of being disposed of, dealt with or created other than as expressly permitted under these presents or by way of transmission by operation of law on death or bankruptcy.
 - (P) The provisions of this Article may be waived in any particular case if all the members give their consent in writing.
8. Save as hereinafter provided, it shall be obligatory for the Directors to register any duly stamped transfer of a share made pursuant to or permitted by the provisions of Article 7 and it shall also be obligatory for the Directors to refuse to register any transfer not so made or permitted. The Directors may decline to register any transfer of a share on which the Company has a lien or in any of the circumstances referred to in paragraphs (a) - (c) of Regulation 24 of Table A.
 9. The instrument of transfer of a share shall be signed by the transferor and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the

Register in respect thereof. In the case of a partly paid share the instrument of transfer must also be signed by the transferee. Regulation 23 of Table A shall not apply.

10. (A) Any person becoming entitled to a share in consequence of the death or bankruptcy of a member must within three months of being so entitled produce such evidence of his title as the Directors may reasonably require.
- (B) Any person becoming entitled to a share in consequence of the bankruptcy of a member must within the said three month period serve upon the Directors a Transfer Notice under Article 7 above in relation to the shares in which case Article 7 shall bind him as if he were a member holding such share.
- (C) If any person mentioned in Paragraph (B) above does not serve a Transfer Notice within the period in which he is required to have done so under Paragraph (B) above he shall upon expiry of the said period be automatically deemed to have served a Transfer Notice and to have fixed the Specified Price of the share at such price as the Auditors for this purpose at the expense of the said person and acting as experts not as arbitrators report to be the fair value thereof.
- (D) Regulation 30 of Table A shall apply subject to the provisions of this Article.
- (E) A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the registered member of that share, including the right to attend and vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company. Regulation 32 of Table A shall not apply to the Company.

GENERAL MEETING

11. A poll may be demanded at any general meeting by the Chairman or by any member present in person or by proxy and entitled to vote. Regulation 46 of Table A shall be deemed to be modified accordingly.
12. A resolution in writing signed by all the members of the Company entitled to receive notice of and attend a meeting of the Company or of any class of members of the Company and to vote on such resolution at such meeting (which resolution may consist of several documents in the like form each signed by one or more of the said members) or a resolution to which every such member has signified his approval in writing or by fax or telex, shall be as valid and effectual as if it had been passed at a meeting of the Company (as the case may be) duly called and constituted. In the case of a corporation the resolution may be signed or approved on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative. Regulation 53 of Table A shall not apply.

VOTES OF MEMBERS

13. A poll may be demanded at any general meeting by the Chairman or by any member present in person or by proxy and entitled to vote. Regulations 46 of Table A shall be deemed to be modified accordingly.
14. The Directors shall, unless otherwise determined by an Ordinary Resolution of the Company, be not less than 2 in number. Regulation 64 of Table A shall not apply.

DIRECTORS

15. The Directors shall not be subject to retirement by rotation and Regulations 73 to 80 (inclusive) and the last sentence of Regulation 84 of Table A shall apply.
16. A Director need not be a shareholder but shall be entitled to receive notice of and attend all General Meetings.
17. (A) The quorum for meetings of the Directors (or of any committee thereof) shall be 2 Directors present throughout the meeting. Regulation 89 of Table A shall not apply.

(B) The third sentence in Regulation 88 of Table A shall be deemed to be deleted and the following shall be deemed to be substituted therefor: -

"Notices of meetings of the Directors shall be given to all Directors and to any alternate Directors appointed by them, whether or not they are within the United Kingdom. All such notices to Directors or their alternates who are outside the United Kingdom shall be given by (so far as possible) fax or telex."
18. A person may be appointed a Director notwithstanding that he shall have attained the age of 70 and special notice shall not be required of any resolution appointing him or approving his appointment and no Director shall be liable to vacate his office by reason of his having attained that or any other age.

BORROWING POWERS

19. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge the whole or any part of its undertaking, property and assets (both present and future) and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligations of the Company or any third party.

ALTERNATE DIRECTORS

20. (A) Each Director shall have the power to nominate any other Director or, with the approval of a majority of the Directors, any other person to act as alternate Director in his place at any meeting of the Directors at which he is unable to be present, and at his discretion to remove such alternate Director.

(B) On such appointment being made, the alternate Director shall (except as regards the power to appoint an alternate) be subject in all respects to the provisions, terms and conditions of these Articles existing with reference to the other Directors of the Company and each alternate Director, whilst acting in the place of an absent Director, shall exercise and discharge all the duties of the Director he represents but shall look to the Director appointing him solely for his remuneration as an alternate Director.

(C) Any Director of the Company who is appointed an alternate Director shall be entitled to a vote at a meeting of the Directors on behalf of the Director so appointing him as distinct from the vote to which he is entitled in his own capacity as a Director, and shall also be considered as two Directors for the purpose of making a quorum of Directors when such quorum shall exceed two.

- (D) Any person appointed as an alternate Director shall vacate his office as such alternate Director if and when:-
- (i) the Director by whom he has been appointed vacates his office as Director, or
 - (ii) the Director by whom he has been appointed removes him by written notice to the Company, or
 - (iii) an event occurs which, if he were a Director, would have caused him to vacate his office as Director.
- (E) Regulations 65 to 69 (inclusive) of Table A shall be deemed to be amended accordingly.
- (F) Every instrument appointing or removing an alternate Director shall be in writing signed by the appointer and shall be effective upon delivery at the Office or at a meeting of the Directors.

POWERS AND DUTIES OF DIRECTORS

21. (A) The Directors may procure the establishment and maintenance of or participate in, or contribute to any non-contributory or contributory pension or superannuation fund, scheme or arrangement or other retirement benefits scheme or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to any persons who are or shall have been at any time Directors or other officers or in the employment or service of the Company or of any company which is or was a subsidiary of or associated with the Company or of the predecessors in business of the Company or of any such subsidiary or associated company or of any holding company of any such other company as aforesaid or the wives, widows, families, relatives or dependants of any such persons.
- (B) The Directors may also procure the establishment and subsidy of or subscription to and support of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or of any such other company as aforesaid or its members, and make payments for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object.
- (C) The Directors may procure any of the matters aforesaid to be done by the Company either alone or in conjunction with any other company.
- (D) Regulation 87 of Table A shall not apply.
22. Subject to his having declared his interest in accordance with the Statutes, a Director may vote as a Director in regard to any transaction or arrangement or proposed transaction or arrangement in which he is interested or upon any matter arising therefrom and, if he shall so vote, his vote shall be counted and he shall be reckoned in estimating a quorum when any such

transaction or arrangement is under consideration. Regulations 94 to 96 of Table A shall be deemed to be modified accordingly.

23. A resolution in writing signed by all the Directors or by all the members of a Committee for the time being (which resolution may consist of several documents in the like form each signed by one or more of the said Directors or the said members of such Committee) or a resolution to which every such Director or every such member of a Committee has signified his approval in writing or by fax or telex shall be as valid and effectual as if it had been passed at a Meeting of the Directors or of such Committee (as the case may be) duly called and constituted. For the purpose of this Article the signature or approval of an alternate Director (if any) shall suffice in place of the signature of the Director appointing him. Regulation 93 of Table A shall not apply.

DISQUALIFICATION OF DIRECTORS

24. The office of a Director shall be vacated:-

- (a) if he is prohibited from being a Director by any order made under the Statutes; or
- (b) if a receiving order is made against him or he makes any arrangement or composition with his creditors; or
- (c) if he becomes a Patient for the purposes of Part VII of the Mental Health Act 1983; or
- (d) if by notice in writing to the Company he resigns his office; or
- (e) if he is removed by an Ordinary Resolution of the Company,

Regulation 81 of Table A shall be deemed to be modified accordingly.

EXECUTIVE DIRECTORS

25. (A) The Directors may from time to time appoint one or more of their body to hold any executive office in the Company, including, inter alia, the office of Managing Director, for such period and on such terms as they think fit, and (without prejudice to any claim for damages for breach of any agreement between any such person and the Company) may revoke such appointment.
- (B) Subject to the terms of any such agreement the appointment of any such Director as aforesaid shall be determined if he ceases from any cause to be a Director.
- (C) Any Director holding executive office in the Company shall receive such remuneration whether by way of salary, commission or participation in profits (or partly in one way and partly in another) as the Directors may determine.
- (D) The Directors may entrust to and confer upon any Director holding executive office in the Company any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- (E) Regulation 84 of Table A shall be deemed to be modified accordingly.

ASSOCIATE, SPECIAL AND LOCAL DIRECTORS

26. The Directors may from time to time appoint one or more persons to the office of Associate, Special or Local Director as they may decide. The tenure of office scope of duties and remuneration of an Associate, Special or Local Director shall be determined from time to time by the Directors. The Directors may also from time to time (without prejudice to any claim for damages for breach of any agreement between any Associate, Special or Local Director and the Company) remove him from office and, if thought fit, appoint another in his place. An Associate, Special or Local Director shall not be deemed to be a Director of the Company and no Associate, Special or Local Director shall be entitled to be present at any meeting of the Directors unless the Directors shall require his presence and he shall not accordingly be counted in the quorum therefor or be entitled to vote thereat.

SEAL

27. The Directors shall provide for the safe custody of the Seal and any official Seal for use abroad pursuant to the Statutes, and such Seals shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the Seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose. Regulation 101 of Table A shall not apply.

INDEMNITY

28. (A) Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses and liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto including any 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 in connection with any application under Section 727 of the Act in which relief is granted to him by a Court.
- (B) No Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. This Article shall only have effect insofar as its provisions are not avoided by Section 310 of the Act. Regulation 118 of Table A shall not apply.

RIGHTS, PRIVILEGES AND RESTRICTIONS ATTACHED TO THE PREFERENCE SHARES

29. Income

- (1) The profits which the Company may decide to distribute in respect of any financial year or other period for which its accounts are made up shall be applied in paying to each holder of a Preference Share in priority to any payment to the holders of shares of any other class a fixed cumulative preference dividend (the "preferential dividend") at the rate of 10 per cent. per annum (excluding the amount of any associated tax credit) on the amount for the time being paid up on that Preference Share.

- (2) The preferential dividend accrues from day to day and is payable half-yearly in equal amounts. The first payments shall be due on the dates which are six months and twelve months from the date of issue of the Preference Shares and thereafter payments shall be due on the anniversary of such dates (each a "dividend payment date") (or if any dividend payment date is a Saturday, a Sunday or a day which is a public holiday in England on the next date which is not such a day) in respect of the half-year ending on those respective dates.
- (3) The preferential dividend shall be due and payable on the relevant preferential dividend payment dates and, notwithstanding the fact that the preferential dividend is expressed to be cumulative, it shall ipso facto and without any resolution of the board or of the Company in general meeting (and notwithstanding anything contained in regulations 102 to 108 (inclusive) of Table A) become immediately payable by the Company to the holders of the Preference Shares (subject only to there being profits out of which the same may be lawfully paid).
- (4) Subject to the Statutes, the board shall be obliged to declare and pay the preferential dividend on each dividend payment date together with any arrears or accruals of the preferential dividend.
- (5) Where the whole or any part of the preferential dividend is not paid on the relevant dividend payment date, the unpaid amount of the preferential dividend shall accumulate and such unpaid amount shall itself accrue additional amounts thereon (payable as and deemed to be additional preferential dividend) at a rate of 10 per cent. per annum (excluding the amount of any associated tax credit) whilst unpaid ("additional amounts").

30. **Capital**

Subject to the provisions of Article 31, on a return of capital whether on a winding up or otherwise, but not in respect of any redemption on a conversion of shares, the assets of the Company available for distribution to its members shall be applied in paying to each holder of a Preference Share in priority to any payment to the holders of shares in the Company of any other class a sum equal to all arrears and accruals (if any) of the preferential dividend whether or not the preferential dividend has been earned or declared and any additional amounts accrued thereon calculated down to and including the date of the commencement of the winding-up (in the case of a winding-up) or the return of capital (in any other case) together with a sum equal to the capital paid up on that Preference Share.

31. **Conversion**

- (1) Each holder of Preference Shares is entitled in accordance with this Article 31 to convert all or any of his fully paid Preference Shares into fully paid Ordinary Shares at the rate of £1 in nominal amount of Ordinary Share capital for every £1 in nominal amount of Preference Share capital so converted.
- (2) The conversion rights are exercisable at any time by the holders of the Preference Shares by sending to the Company a conversion notice in the form attached to the certificate(s) relating to the Preference Shares together with such other evidence (if any) as the Directors may reasonably require to prove the title of the person exercising such right. A conversion notice once lodged may not be withdrawn without the consent in writing of the Company.
- (3) Conversion of Preference Shares may be effected in any manner the board may decide and which the law may allow including, without limitation, by means of a redesignation of each of

the Preference Shares to be converted as an Ordinary Share or by means of a redemption of such Preference Shares out of the proceeds of a new issue of Ordinary Shares to the holders of such Preference Shares.

- (4) On conversion the preferential dividend ceases to accrue with effect from the last dividend payment date before the conversion. The Ordinary Shares resulting from the conversion carry the right to receive all dividends and other distributions declared, made or paid on the Ordinary Shares in respect of the financial year of the Company in which the conversion falls but not in respect of an earlier financial year and otherwise rank *pari passu* in all respects with the Ordinary Shares then in issue and fully paid.
- (5) Allotments of Ordinary Shares arising from conversion shall be effected not later than 14 days after the date on which the conversion notice is received by the Company. Within 28 days after such date, the Company shall send to each holder of converted Preference Shares, at his own risk, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares and a new certificate for any unconverted Preference Shares comprised in the certificates sent by him to the Company under paragraph (2) above, or such other evidence of title to the Ordinary Shares or unconverted Preference Shares as the board may reasonably decide. In the meantime, transfers shall be certified against the register.
- (6) If, while any Preference Shares are in issue, any offer of shares or securities is made to holders of Ordinary Shares, the board shall procure that at the same time the Company extends such offer to each holder of Preference Shares in proportion to his holding as if the conversion rights had been exercised and as if the conversion had taken place immediately before the record date for that offer and for this purpose an offer shall include an invitation to make an offer.
- (7) If the Company gives notice under the provisions of Article 32 below of its intention to redeem any Preference Shares, then the Company shall include in that notice a reminder of any rights to convert those shares.
- (8) If any resolution is passed or order made for the winding-up of the Company, the Company shall immediately give notice of the resolution or order in writing to all holders of Preference Shares and any holder of Preference Shares shall be entitled in respect of all or any of his Preference Shares within six weeks after the date of the resolution for winding-up the Company or (as the case may be) the date of the order of the Court for that winding-up, by notice in writing to the Company to elect to be treated as if his conversion rights had been exercised immediately before the commencement of the winding-up, and he shall then be entitled to be paid in satisfaction of the amount due in respect of those of his Preference Shares as are elected to be treated as if converted, a sum equal to the amount to which he would have become entitled in such liquidation if he had been the holder of the Ordinary Shares to which he would have become entitled by virtue of conversion together with any arrears, deficiency or accrual of the preferential dividend on those Preference Shares and together with any additional amounts accrued thereon down to the last dividend payment date before the date of that resolution or order, whether or not the preferential dividend has been declared or earned. At the expiration of the period of six weeks, any outstanding Preference Shares cease to be capable of conversion.
- (9) Upon the redemption of any Preference Shares under this article or under Article 32, the board may (under the authority given by the passing of the resolution to create the Preference Shares) consolidate or subdivide and convert all or any of the authorised share capital representing

shares cancelled on redemption into shares of any other class of share capital then comprised in the authorised share capital of the Company or into unclassified shares.

32. **Redemption**

- (1) The Company shall (subject to the Statutes) on 31st December, 2000 redeem all of the Preference Shares in issue (if any) on that date.
- (2) At any time before 30th December, 2000 the Company may (subject to the Statutes) redeem any Preference Share for the time being in issue.
- (3) If the Company is not permitted by the Statutes to redeem any Preference Shares on the date specified in paragraph (1), it shall redeem those shares as soon after that date as it shall be permitted to do so by the Statutes and, if at any time the Company is permitted to redeem under paragraph (1) only some of the Preference Shares, it shall redeem those shares at that time and shall redeem the remaining shares as soon as it is permitted to do so.
- (4) The Company shall give notice in writing (a "redemption notice") to the holders of Preference Shares to be redeemed under this Article. The period of such notice shall be not less than 28 days unless, in respect of any Preference Share to be redeemed, the holder agrees otherwise. A redemption notice shall specify the particular Preference Shares to be redeemed, the date when the redemption is to be effective (the "redemption date") and the place at which the certificates for (and/or such other evidence (if any) as the board may reasonably require to prove title to) those Preference Shares are to be presented for redemption.
- (5) If any redemption date would otherwise fall on a Saturday, a Sunday or a day which is a public holiday in England, then the redemption date shall be the next date which is not such a day.
- (6) If only some of the Preference Shares are to be redeemed on any redemption date under paragraph (2) or (3), the particular Preference Shares to be redeemed shall be a proportionate part, as nearly as practicable, of each separate holding of Preference Shares.
- (7) Subject to delivery on or before the redemption date to the Company of the documents required in the redemption notice by the holder of a Preference Share to be redeemed, the Company shall redeem that share and pay to the holder (or, in the case of joint holders, the holder whose name first appears in the register in respect of that Preference Share) by cheque by post at the risk of the holder to (or to the order of) the holder the amount due to him in respect of that redemption.
- (8) No charge shall be made to the holder for a new certificate for (or other evidence which may reasonably be required to prove title to) Preference Shares which are not to be redeemed but which were included in a certificate (or in such other evidence of title) delivered to the Company under this Article.
- (9) In respect of each Preference Share to be redeemed under this Article the Company shall pay the sum of £1 together with a sum equal to all arrears and accruals of the preferential dividend on that share and any additional amounts accrued thereon calculated down to and including the relevant redemption date and to be payable irrespective of whether or not that dividend has been declared or earned or become due and payable.
- (10) As from the relevant redemption date of a Preference Share to be redeemed under this Article the preferential dividend shall cease to accrue on that Preference Share, unless on presentation

of the documents relating to it (as required in the redemption notice), payment of the moneys due at the redemption is refused, in which case the preferential dividend on that share shall be deemed to have accrued and shall continue to accrue and together with any additional amounts accruing thereon from and excluding the redemption date to and including the date of payment.

33. **Voting**

- (1) Each Preference Share entitles the holder to receive notice of, but does not entitle the holder to attend and vote at, general meetings of the Company unless:
 - (a) at the date of the notice convening the meeting the preferential dividend or any part of it is six months or more in arrear (for which purpose the preferential dividend is deemed to be payable on each dividend payment date); or
 - (b) the business of the meeting includes the consideration of a resolution for winding-up the Company, or for a reduction in the capital of the Company, or for the purchase of any shares in the capital of the Company, or any resolution directly or indirectly modifying or varying any of the special rights, privileges or restrictions attached to the Preference Shares; or
 - (c) (following the lodging of a conversion notice in accordance with paragraph (2) of Article 31 coupled with compliance mutatis mutandis by the holder of the Preference Shares to which the notice relates with the provisions of that Article) the Preference Shares have not been converted in accordance with that Article; or
 - (d) (on and following the redemption date in paragraph (1) of Article 32 or a redemption date specified under paragraph (4) of that Article and delivery to the Company of the relevant documents under that Article) the Company does not pay to the holders of the Preference Shares to which the documents relate the amounts due in respect of the redemption of the shares.
- (2) If a holder is entitled to attend and vote as a result of subparagraphs (a) or (c) or (d) of paragraph (1) above, he may vote in respect of any resolution considered at the meeting.
- (3) Subject to paragraph (2) above, if a holder is entitled to attend and vote as a result of paragraph (1)(b) above only, he may vote in respect of a resolution referred to in paragraph (1)(b) above only.
- (4)
 - (i) On a show of hands, each holder of Preference Shares who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member, shall have one vote; and
 - (ii) on a poll, each holder of Preference Shares who (being an individual) is present in person or by a proxy or (being a corporation) by a duly authorised representative, not being himself a member, shall have one vote for every Preference Share held by him.

34. **Prohibitions**

While any Preference Shares are in issue then, except with the consent or sanction on the part of the holders of the Preference Shares which is required for a variation of the rights attached to the Preference Shares:

- (1) no alteration shall be made to Articles 5, 7 or 8;
- (2) the Company shall procure that there shall be sufficient unissued Ordinary Share capital of the Company available for the purposes of satisfying the requirements of conversion of Preference Shares;
- (3) the Company shall not increase or agree to increase its authorised share capital;
- (4) there shall be no consolidation or sub-division of the share capital of the Company in respect of any class of share; and
- (5) regulation 54 of Table A (which, by virtue of Article 1, applies to the Company) shall not be disapplied or deemed to be varied.

35. No further rights

Save as provided in Articles 29 to 34 above, a Preference Share does not entitle the holder to any further rights of participation in the profits or the capital of the Company.