

THE COMPANIES ACT 1985

PRIVATE COMPANY

LIMITED BY SHARES

MEMORANDUM

OF

ASSOCIATION

OF

**GLOBAL TEA & COMMODITIES
LIMITED**

Incorporated : 15th October 1991

Registered Number : 2654245



THE COMPANIES ACT 1985

**COMPANY LIMITED BY
SHARES**

**MEMORANDUM OF
ASSOCIATION**
of
GLOBAL TEA & COMMODITIES LIMITED*

1. The name of the company is Global Tea & Commodities Limited.*
2. The Registered Office of the Company will be situate in England.
3. The Objects for which the company is established are:-
 - (a) To carry on, in conjunction with each other or as separate and distinct undertakings, all or any of the following businesses: manufacturers, imports, exporters, agents, dealers (both wholesale and retail) in all articles of commercial, manufacturing, personal and household use and consumption and in all kinds of raw materials; warehousemen; storage contractors, shipping and forwarding agents; manufacturers of and dealers in all types of equipment and machinery; dealers in property and estates; property developers and investors, property managers; to offer services of accountant, book-keeper or secretary; estate agents, insurance agents and brokers, financiers, financial agents and to act as nominee, trustee, agent, factor, broker, executor, administrator, receiver for or otherwise on behalf of Companies, Corporations, firms or persons; builders; scaffolders; contractors; sign makers; heating and ventilation engineers and contractors; refrigeration engineers, specialists and contractors; decorators; painters; bricklayers; carpenters; shuttering manufacturers and erectors; joiners; public works contractors; plasterers, plumbers, electricians, shop front fitters; carpet dealers and layers; builders and decorators' merchants; civil, mechanical, constructional, agricultural, consulting, heating, electrical and general engineers; architects; welders, sheet metal workers; double glazing and window consultants; blacksmiths; motor engineers; garage proprietors; car dealers; car hire service, taxi proprietors and operators, travel agents, tour operators, proprietors of vehicles and vessels of all kinds, transport and haulage contractors; general engineers, tool makers; booking agents for, and managers of theatres, cinemas and all other kinds of entertainments and sporting events; turf and sporting accountants in all their branches; proprietors of shops, cafes, clubs, hotels and restaurants, catering contractors; dealers in foods and provisions of all kinds; wine and spirit merchants; butchers; grocers; greengrocers; fishmongers and poultry merchants; dealers in health foods; farmers;

* amended by Special Resolution dated 17th January 1992

florists, horticulturists; bakers; confectioners; tobacconists; ironmongers; hardware merchants; dealers in plastics of all kinds, antique dealers; furniture manufacturers and dealers; leather and fancy goods dealers; jewellers; radio, television and electrical retailers, dealers and repairers; toys, games and sports equipment dealers; photographers and dealers in all kinds of photographic material and equipment, film producers and distributors; footwear manufactures; textile merchants, tailors, fashion designers, ladies and gentlemen's outfitters, clothing manufacturers, boot and shoe retailers, perfumery and cosmetic dealers; hairdressers; manufacturing and retail chemists; medical suppliers, printers, publishers, stationers, advertising and publicity agents; public relation specialists, consultants, business transfer agents and employment agents; hire purchase and leasing operators; computer operators, programmers and dealers; video dealers, market research specialists; business advisers, mail order specialists; dyers and cleaners; dry cleaners, proprietors of launderettes, excavation and demolition contractors, locksmiths, security advisers, plant hirers, scrap iron and waste merchants and commodity traders and to carry on all or any of the said businesses, and provide services in connection therewith, either together as one business or as separate and distinct businesses, in any part of the world.

- (b) To carry on any other business which, in the opinion of the Company, may be capable of being conveniently or profitably carried on in conjunction with or subsidiary to any other business of the Company and is calculated to enhance the value of the Company's property or further its objects or any of them.
- (c) To purchase or by any other means acquire freehold, leasehold or any other property for any estate or interest whatever, movable or immovable, or any interest in such property, and to sell, lease, let on hire, develop such property, or otherwise turn the same to the advantage of the Company.
- (d) To apply for, register or by other means acquire any patents, patent rights, brevets d'invention, licences, trade marks, concessions and inventions and to use and turn to account the same or to develop, sell or assign the same or grant licences or privileges in respect thereof or otherwise turn the same to the advantage of the Company.
- (e) To build, reconstruct or generally maintain buildings and works of all kinds, whether or not those are situate on the property in the Company.
- (f) To invest and deal with the monies of the Company in such shares or upon such securities and in such manner as from time to time may be determined.
- (g) To amalgamate with or to make any agreement or arrangement with or enter into partnership or joint purse agreement with any other company, firm or person carrying on business similar or complementary to the business of the Company or any part thereof.
- (h) To subscribe for, take, purchase or otherwise acquire either for cash, shares or debentures in this Company or any other consideration any other company or business

which, in the opinion of the Company, may be carried on so as directly or indirectly to benefit the Company.

- (i) To sell or otherwise dispose of the whole or any part of the business or property of the Company for any consideration, shares or debentures as the Company may think fit.
- (j) To lend money to customers, associates and others both corporate and incorporate and to guarantee the observance and performance of obligations and contracts by customers and others.
- (k) To borrow or raise money in such manner as the Company thinks fit and secure the repayment thereof by the creation and issue of debentures, debenture stock, mortgages or in any other way.
- (l) To pay or remunerate any person, firm or company for rendering services to the Company in the promotion of the Company or the placing and issue of shares, debentures, debenture stock or other securities of the Company.
- (m) To support and subscribe to any funds and to subscribe to or assist in the promotion of any charitable, benevolent or public purpose or object for the benefit of the Company or its employees, directors or other officers past or present and to grant pensions to such persons or their dependants.
- (n) To draw, make, accept, endorse, discount and execute bills, warrants, notes or other negotiable or transferable instruments.
- (o) To assist in the promotion of or promote any company or undertaking which may appear likely to assist or benefit the Company and to place or guarantee the placing of, subscribe or underwrite or otherwise acquire any part of the stock, debentures, debenture stock or other obligations of such company.
- (p) To promote by way of advertising the Company's products and services in any manner and to reward customers or potential customers and to promote or take part in any scheme likely to benefit the Company.
- (q) To distribute in specie any of the shares, debentures or securities of the Company between the members of the Company in accordance with their rights.
- (r) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

All the foregoing objects shall be read and construed as separate and distinct objects and the generality of any such objects shall not be abridged or cut down by reference to any other object of the Company.

4. The liability of the members is limited.

5. The share capital of the Company is £1,000 and US\$2,500,000 divided into 1,000 ordinary shares of £1 each 2,000,000 ordinary shares of US\$1 each and 500,000 'A' ordinary shares of US\$1 each.*

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

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
GERALD LEWIN 1 st Floor Offices 8-10 Stamford Hill London, N16 6XZ Company Registration Agent	ONE
MICHAEL HOLDER 1 st Floor Offices 8-10 Stamford Hill London, N16 6XZ Company Registration Agent	ONE

Dated 10th September 1991

WITNESS to the above signatures:

VIVIENNE LEWIN
1st Floor Offices
8-10 Stamford Hill
London, N16 6XZ

Company Director

* amended by Special Resolutions dated 15th April 1992, 24th September 1993 and 23rd April 1998

2654245
No. 2999519

Handwritten signature

**THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES**

ARTICLES OF ASSOCIATION

- of -

GLOBAL TEA & COMMODITIES LIMITED

(Adopted by Special Resolution passed

on 23 April 1998)

Dibb Lupton Alsop
India Buildings
Water Street
Liverpool L2 0NH

AA-6045.PJ(pmc)

Tel: 0345 26 27 28
Fax: 0151 236 9208

2654245
No. 2999519

LL

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THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

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GLOBAL TEA & COMMODITIES LIMITED

(Adopted by Special Resolution of the Company
passed on 23 APRIL 1998)

PRELIMINARY

- 1 The regulations contained in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985) shall except as hereinafter provided and so far as not inconsistent with the provisions of these Articles apply to the Company to the exclusion of all other regulations or articles of association. References herein to regulations are to regulations in the said Table A

PRIVATE COMPANY

- 2 The Company is a private company and accordingly the Company shall not:-

- 2.1 offer to the public (whether for cash or otherwise) any shares in or debentures of the Company; or
- 2.2 allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public

INTERPRETATION

- 3 In the first line of regulation 1 after the word "regulations" the words "and in any articles adopting in whole or in part the same" shall be inserted

3.1 In these Articles:-

- 3.1.1 unless the context otherwise requires the following expressions have the following meanings:-

"the Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force

"these Articles" these articles of association of the Company

"'A' ordinary shares" means the 'A' ordinary shares of US\$1 each in the share capital of the Company from time to time

"the directors" the directors of the Company for the time being

"deemed transfer notice" means a transfer notice deemed to be given under any provision of these Articles or any Relevant Agreement

"Equity Shares"	means all of those shares for the time being comprising the issued equity share capital of the Company
"MSIMF"	Merseyside Special Investment Mezzanine Fund Limited of 5th Floor, Cunard Building, Pier Head, Liverpool
"ordinary shares"	means the ordinary shares of US\$1 each in the share capital of the Company from time to time
"paid up"	means, in relation to a share, that such share is paid up or credited as paid up
"Relevant Agreement"	means any agreement relating (in whole or in part) to the management of the Company which is binding from time to time on the Company and a majority of the members and which (expressly or by implication) supplements and/or prevails over any provisions of these Articles
"share"	means a share in the capital of the Company of whatever class
"a transfer"	shall be deemed to include references to - <ul style="list-style-type: none"> (a) a direction (whether by way of renunciation, nomination or otherwise) by a member entitled to an allotment of shares; and (b) a sale or other disposition of any beneficial interest in a share

(whether for consideration or otherwise) by any person whether effected by instrument in writing or otherwise

and cognate words and expressions shall be construed accordingly

"transfer notice" has the meaning attributed thereto in Article 10.1

- 3.1.2 words or expressions the definitions of which are contained or referred to in the Act or a Relevant Agreement shall be construed as having the meaning thereby attributed to them but excluding any statutory modification or amendment thereof not in force on the date of adoption of these Articles
- 3.1.3 words importing the singular number shall include the plural and vice versa, words importing the masculine shall include the feminine and neuter and vice versa, and words importing persons shall include bodies corporate, unincorporated associations and partnerships
- 3.1.4 references to Articles are references to these Articles and references to paragraphs and sub-paragraphs are, unless otherwise stated, references to paragraphs in the Article or references to sub-paragraphs of the paragraph in which the reference appears
- 3.1.5 any question whether a person is connected with another person shall be determined by applying the provisions of Section 839 of the Income and Corporation Taxes Act 1988
- 3.1.6 any question whether a person has an interest in any share shall be determined in accordance with the provisions of Part I of Schedule 13 to the Act

3.1.7 where any amount is stated to be Index Linked it shall be adjusted annually on 31st December each year commencing on 31st December 1998 by a percentage equal to the percentage increase in the retail price index published by the Government to 31st December in the year in question from 31st December in the previous year

3.2 A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of the regulations or these Articles

SHARE CAPITAL

4 The share capital of the Company at the date of the adoption of this Article is £1,000 and US\$2,500,000 divided into 1,000 ordinary shares of £1 each and 2,000,000 ordinary shares of US\$1 each and 500,000 'A' ordinary shares of US\$1 each.

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

4.1 Income

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

4.1.1 first 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 an amount per annum in respect of each 'A' ordinary share equivalent to 9% of the subscription price paid or the amount of loan converted (as appropriate) in respect of each 'A' ordinary share divided by the number of 'A' ordinary shares then in issue, such dividend being payable annually on 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 the earlier;

4.1.2 second 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 (if any) equal to 1% of the Net Profit (calculated as hereinafter provided) of the Company and its subsidiaries for the relevant financial year less the amount of the Fixed Dividend. 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 net profit 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:

- 4.1.2.1 adding back any payment of or provision 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 reserve and any amortisation of goodwill;
- 4.1.2.2 disregarding extraordinary items;
- 4.1.2.3 adding back any amount in excess of £130,000 (or such greater amount as is agreed from time to time in writing with the holders of the 'A' ordinary shares) in the aggregate charged in respect of emoluments payable to the Company's and any subsidiary's directors and former directors where such directors are interested in shares in the Company but excluding any Special Director (as hereinafter defined) and their connected persons (as defined by Section 839 of the Income and Corporation Taxes Act 1988) (all such directors and connected persons being together referred to as "Relevant Directors")

- 4.1.3 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 the Fixed Dividend and the Participating Dividend (if any) have been paid in full in respect of that financial year and in respect of all previous financial years of the Company but subject thereto the profits which the Company may determine to distribute in respect of any financial year shall be applied:
- 4.1.3.1 first in paying to the holders of the ordinary shares a dividend for such year on each share of an amount up to but not exceeding the amount of the aggregate amount of the Fixed Dividend and the Participating Dividend paid on each 'A' ordinary share for such year; and
- 4.1.3.2 second 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)
- 4.1.4 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
- 4.1.5 Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act and the Fixed Dividend and the Participating 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

4.1.6 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 the Fixed Dividend and the Participating Dividend but only to the extent that such dividends may be lawfully declared and paid by each of such subsidiaries

4.1.7 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 carry interest at the rate of 15% per annum such interest to accrue from the due date for payment of the dividend in question until the date of payment of such dividend and all sums due in respect thereof pursuant to this Article 4.1.7 (inclusive)

4.2 Capital

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 :

4.2.1 first in paying to the holders of 'A' ordinary shares of US\$1 per share together with a sum equal to any arrears, deficiency or accruals of the Fixed Dividend and the Participating Dividend on the 'A' ordinary shares calculated down to the date of the return of capital; and

4.2.2 second in paying to the holders of ordinary shares the sum of US\$1 per share together with a sum equal to any arrears deficiency or accruals of dividends declared in respect of such ordinary shares calculated down to the date of the return of capital; and

4.2.3 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

FURTHER ISSUES OF SHARES

- 5 5.1 Subject to paragraph 5.2 of this Article, and subject to the provisions of the Act the shares comprising the initial share capital of the Company and all securities convertible into shares shall for a period of five years from the date of incorporation of the Company be at the disposal of the directors, who may during such period allot or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper. Sections 89(1), 90(1) to (5) and 90(6) of the Act shall not apply to the Company
- 5.2 All new or unissued shares (including securities convertible into shares) shall before issue be offered to the members in proportion, as nearly as may be, to the number of Equity Shares held by each of them respectively at the date of the offer. The offer shall be made by notice in writing specifying the number of shares offered and limiting the time (not being more than twenty-eight days) within which the offer if not accepted will be deemed to have been declined. Any member desiring to subscribe shares in excess of his proportion may on accepting the offer state how many shares in excess of his proportion he desires to subscribe; and if all the members do not claim their proportions of the said shares the unclaimed shares shall in the first instance be apportioned and allotted to the members desiring to subscribe therefor in proportion to their existing holdings of Equity Shares. If shares cannot be offered to members in proportion to their existing holdings without division into fractions, the shares representing such fractions shall be offered to such of the members in such proportions and in such manner as may be determined by the directors
- 5.3 Notwithstanding any other provisions of these Articles the directors shall be bound to offer to MSIMF for so long as they hold 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 MSIMF bears to the total issued equity share capital of the Company immediately before the issue of such shares. Any shares issued to MSIMF pursuant to such offer shall be issued upon terms and conditions no less favourable than those

upon which shares are issued to any other person and so that such shares shall be registered in the name of MSIMF

CLASS RIGHTS

6 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 three-fourths in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of that class. Without prejudice to the generality of this Article, the special rights attached to the 'A' ordinary shares shall be deemed to be varied:-

- 6.1 by the grant of any option or other right to subscribe for shares and by any alteration or increase or reduction or sub-division 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
- 6.2 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
- 6.3 by the acquisition of any interest in any share in the capital of any company by the Company or any of its subsidiaries; or
- 6.4 by the application by way of capitalisation of any sum in or towards paying up any debenture or debenture stock of the Company; or
- 6.5 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
- 6.6 by the winding up of the Company; or

- 6.7 by the redemption of any of the Company's shares or by the entering into of a contract by the Company to purchase any of its shares; or
- 6.8 by any alteration of the Company's memorandum or articles of association; or
- 6.9 by any alteration of the Company's accounting reference date; or
- 6.10 by the entering into of a written service agreement with any director or connected person (as defined by Section 839 of the Income and Corporation Taxes Act 1988) or the material variation of any such existing service agreement with any such person; or
- 6.11 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 shares

LIEN

- 7 The lien conferred by regulation 8 shall attach also to fully paid up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all moneys presently payable by him or his estate to the Company. Regulation 8 shall be modified accordingly

TRANSFER OF SHARES

- 8
 - 8.1 The directors shall refuse to register the transfer of any share unless such transfer is permitted by, or is made pursuant to and in accordance with Article 9 or Article 10 or the provisions of any Relevant Agreement. The directors shall also refuse to register the transfer of any share which is prohibited under Article 11 or the provisions of any Relevant Agreement
 - 8.2 Subject to paragraphs 8.3 and 8.6, the directors shall not be entitled to decline to register the transfer of any share which is permitted by, or is made pursuant to and

in accordance with Article 9 or Article 10 or the provisions of any Relevant Agreement

- 8.3 For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these Articles or under the provisions of any Relevant Agreement, the directors may require 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 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
- 8.4 If a member or other person entitled to transfer a share at any time attempts to deal with or dispose of the share or any interest therein otherwise than in accordance with the provisions of Article 9 or Article 10 or any Relevant Agreement or in contravention of Article 11, he shall be deemed immediately prior to such attempt to have given a transfer notice in respect of such share
- 8.5 Where a transfer notice in respect of any share is deemed to have been given under any provision of these Articles or under any Relevant Agreement and the circumstances are such that the directors are unaware of the facts giving rise to the same such transfer notice shall be deemed to have been received by the directors on the date on which the directors receive actual notice of such facts and the provisions of Article 10 shall apply accordingly
- 8.6 The directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which would otherwise be permitted under these Articles if it is a transfer:-
- (a) of a share on which the Company has a lien;
 - (b) of a share (not being a fully paid share) to a person of whom they shall not approve

The first sentence of regulation 24 shall not apply

PERMITTED TRANSFERS

- 9 9.1 Subject always to Articles 8, 10.14 and 11:-
- 9.1.1 Any member being a body corporate may at any time transfer all or any of the shares held by it to a member of the same group (as hereinafter defined)
- 9.1.2 Where shares have been transferred under sub-paragraph 9.1.1 (whether directly or by a series of transfers thereunder) from a body corporate ("the transferor company" which expression shall not include a second or subsequent transferor in such a series of transfers) to a member of the same group ("the transferee company") and subsequently the transferee company ceases to be a member of the same group as the transferor company then the transferee company shall forthwith transfer the relevant shares (as hereinafter defined) to the transferor company; and failure so to transfer such shares within 28 days of the transferee company ceasing to be a member of the same group as the transferor company shall result in a transfer notice being deemed immediately to be given in respect of the relevant shares at a price determined in accordance with Article 10.4
- 9.1.3 For the purposes of this Article 9.1:
- 9.1.3.1 the expression "a member of the same group" means a company which is for the time being a holding company of which the transferor company is a wholly-owned subsidiary or a wholly-owned subsidiary of the transferor company or of any holding company of which the transferor company is a wholly-owned subsidiary; and
- 9.1.3.2 the expression "relevant shares" means and includes (so far as the same remain for the time being held by the transferee company) the shares originally transferred to the transferee company and any additional shares issued or transferred to the transferee company by virtue of the holding of the relevant shares or any of them

9.2 any share may be transferred with the consent of the holders of the "A" ordinary shares (such consent not to be unreasonably withheld or delayed)

9.2.1 by a member to his father or mother or to any lineal descendant of his father or mother or to his spouse (any of such persons being hereinafter referred to as "a privileged relation");

9.2.2 by a member to the trustees of any settlement whether created inter vivos or by will under which no person other than the transferor or any privileged relation of his specified in sub-paragraph 9.2.1 above is entitled to a beneficial interest (any such settlement being hereinafter referred to as "a family settlement");

9.2.3 by trustees of any family settlement specified in sub-paragraph 9.2.2 above to new trustees or to beneficiaries under the family settlement;

and the rights of pre-emption hereinafter conferred in these Articles shall not arise on the occasion of any such transfer

9.3 Any member may at any time transfer all or any of his shares to any person with the prior written consent of all the other members

9.4 A transfer of any share pursuant to this Article shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such share free from all liens, charges and other encumbrances

PRE-EMPTION RIGHTS

10 10.1 Except as provided in Article 9 or elsewhere in these Articles, before transferring or agreeing to transfer any share or any interest therein (including for this purpose the assignment of the beneficial interest in, or the creation of any charge or other security interest over, such share or the renunciation or assignment of any right to receive or subscribe for such share) the person proposing to transfer the same ("the proposing transferor") shall be obliged to give notice in writing ("transfer notice") to the

directors that the proposing transferor desires to transfer all or any part of the shares then held by him. In the transfer notice the proposing transferor shall specify:

10.1.1 the number and class of shares which the proposing transferor wishes to transfer ("the Transfer Shares")

10.1.2 if appropriate, the identity of any person who has indicated a willingness to purchase the Transfer Shares and the price at which such person is willing to purchase the Transfer Shares

A transfer notice shall be deemed to contain a condition ("Total Transfer Condition") that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article none shall be so sold. The transfer notice shall constitute the directors as the agents of the proposing transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the transfer notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this Article. Once given a transfer notice may not be revoked save with the prior written consent of all the other members

10.2 Within seven days after the receipt of a transfer notice the directors shall serve a copy of that transfer notice on all the members other than the proposing transferor. In the case of a deemed transfer notice the directors shall similarly serve notice on all the members (including the proposing transferor) notifying them that the same has been deemed to have been given

10.3 Subject as provided otherwise in these Articles or in any Relevant Agreement the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price ("the Transfer Price") determined in accordance with paragraph 10.4

10.4 The Transfer Price shall be such price as shall be agreed in writing between all the members or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 21 days after the service of notices pursuant to Article 10.2 the Transfer Price will be determined by an independent chartered accountant of not less than five years standing ("the Expert") who shall be nominated by agreement between all the members or failing such nomination within 14 days

after the request of any member to the others therefor nominated at the request of any member by the President for the time being of the Institute of Chartered Accountants in England and Wales. The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding on the members

The Expert will certify the open market value of the Transfer Shares as at the date of the transfer notice on the following assumptions and bases:

10.4.1 valuing the Transfer Shares as on arm's length sale between a willing vendor and a willing purchaser

10.4.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so

10.4.3 that the Transfer Shares are capable of being transferred without restriction

10.4.4 valuing the Transfer Shares as a rateable proportion of the total value of all the issued shares of the Company which value shall not be discounted or enhanced by reference to the class of the Transfer Shares or the number thereof

and the Transfer Price shall be such open market value as is certified by the Expert or, if greater, the price specified in the Transfer Notice pursuant to Article 10.1.2

If any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit

The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested to do so

10.5 If the determination of the Transfer Price is referred to the Expert the date of determination of the Transfer Price ("the Determination Date") shall be the date upon which the directors receive the Expert's determination of the Transfer Price in writing. If the Transfer Price is determined by written agreement between all the

members as aforesaid then the Determination Date shall be the date on which such agreement is made

10.6 The costs and expenses of the Expert in determining the Transfer Price shall be borne as to one half by the proposing transferor and as to the other half by the Company

10.7 Within 7 days after the Determination Date the Transfer Shares shall be offered for purchase at the Transfer Price by the directors in the first instance to those members who at the date of the offer are registered as the holders of shares of the same class as the Transfer Shares other than:

10.7.1 the proposing transferor; or

10.7.2 any member to whom under Article 11 shares may not be transferred)

and, in the case of competition, shall be sold to the acceptors in proportion (as nearly as may be without involving fractions or selling to any member a greater number of Transfer Shares than the maximum number applied for by him) to the number of shares then held by them respectively. If any of the Transfer Shares shall not be capable of being allocated as aforesaid without involving fractions, the same shall be offered amongst the acceptors, or some of them, in such proportions or in such manner as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit

10.8 Any offer made pursuant to paragraph 10.7 above or 10.9 below shall be made by notice in writing and shall specify:

10.8.1 the number and class of the Transfer Shares;

10.8.2 the proportionate entitlement of the relevant member (on the assumption that there will be competition for the Transfer Shares);

10.8.3 the Transfer Price;

10.8.4 that the transfer notice is deemed to contain a Total Transfer Condition; and

10.8.5 a period (being not less than 21 days and not more than 42 days) within which the offer must be accepted or shall lapse

10.9 If by the foregoing procedure the directors shall not receive acceptances from members in respect of all the Transfer Shares within the period of the aforesaid offer they shall forthwith give notice in writing to the members holding shares not of the same class as the Transfer Shares offering to them such of the Transfer Shares as have not been so accepted and the provisions of paragraph 10.8 above shall apply to such offer. If any of the Transfer Shares are not capable of being allocated pursuant to this paragraph 10.9 without involving fractions, the same shall be offered amongst the acceptors, or some of them, in such proportions and in such manner as may be determined by lots drawn in respect thereof and the lots drawn in respect thereof and the lots shall be drawn in such manner as the directors think fit.

10.10 If by the foregoing procedure the directors shall not receive acceptances from members in respect of all of the Transfer Shares within the periods of the aforesaid offers they shall forthwith give notice in writing of that fact to all the members, whereupon the holders of at least three quarters in nominal value of the shares (excluding the shares held by the proposing transferor) shall be entitled within 14 days of the date of service of that notice to nominate (by giving notice in writing to the directors signed by each such holder or on his behalf and which may consist of several notices in the like form) any person or persons (whether or not a member) who has expressed his willingness in writing to purchase all or any of those Transfer Shares in respect of which acceptances have not been received at the Transfer Price as the purchaser(s) of all or some such Transfer Shares (and the directors shall be deemed to have made offers of such shares accordingly); Provided that if any such nominated purchaser shall fail to complete any such purchase in accordance with this Article the members (other than those who did not sign the aforesaid notice(s)) shall be jointly and severally liable to complete such purchase in place of that nominated purchaser

10.11 No offer of Transfer Shares made by the directors pursuant to this Article shall be capable of acceptance until all of the Transfer Shares shall have been accepted. If by the foregoing procedure the directors shall not receive acceptances in respect of all the Transfer Shares within the periods of the aforesaid offer(s) they shall forthwith

give notice in writing of that fact to the proposing transferor and none of the Transfer Shares will be sold to the members (or any person or persons nominated pursuant to sub-paragraph 10.10) pursuant to this Article. If such a notice is served, then the proposing transferor may within a period of 3 months after the date of the directors' said notice sell all (but not some only) of the Transfer Shares to any person at any price which is not less than the Transfer Price (after deducting, where appropriate, any net dividend or other distribution declared, paid or made after the date of the transfer notice in respect of the Transfer Shares and which has been or is to be retained by the proposing transferor)

10.12 If any member or members or person or persons nominated pursuant to sub-paragraph 10.10 ("purchaser" or "purchasers") shall within the period(s) of the aforesaid offer(s) agree to purchase all of the Transfer Shares the directors shall forthwith give notice in writing as hereinafter mentioned to the proposing transferor and to the purchasers and thereupon the proposing transferor shall become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the purchasers, the Company and the directors therefor, none of whom shall be bound to see to the application thereof) to transfer to each purchaser those Transfer Shares accepted by him. Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the directors for the completion of the purchase (being not less than 7 days nor more than 28 days after the date of the said notice and not being at a place outside England). Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the directors

10.13 If a proposing transferor, having become bound to transfer any Transfer Shares pursuant to this Article, makes default in transferring the same the directors may authorise some person (who shall be deemed to be the attorney of the proposing transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the proposing transferor. The Company shall not be bound to earn or pay interest on any moneys so held. The receipt of the

Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person

- 10.14 Without prejudice to the generality of Article 8.3, the directors may require to be satisfied that any shares being transferred by the proposing transferor pursuant to subparagraph 10.10 of this Article are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer

10.14.1 In this paragraph a "Relevant Event" means:

10.14.1.1 in relation to a member being an individual:-

(aa) such member becoming bankrupt; or

(bb) such member dying; or

(cc) the happening of any such event as is referred to in paragraph (c) of regulation 81

10.14.1.2 a member making any arrangement or composition with his creditors generally

10.14.1.3 in relation to a member being a body corporate:-

(i) a receiver, manager, administrative receiver or administrator is appointed of such member or over all or any part of its undertaking or assets; or

(ii) such member entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or

(iii) such member ceasing to be controlled (as defined by Section 840 of the Income and Corporation Taxes Act 1988) by the person(s) who controlled such member 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)

10.14.1.4 in relation to a member being an employee or director of the Company or of any subsidiary of the Company, such member ceasing to be an employee or director as aforesaid other than in consequence of (i) the death of such member or (ii) that member's retirement at or after normal retirement age (as determined by the Board) or (iii) retirement as a result of ill health or physical disability or incapacity or (iv) where such cessation arises by dismissal for reason of misconduct or incapability in circumstances where a competent court or tribunal finds that such member has been unfairly dismissed within the meaning of the Employment Rights Act 1996 and there has been less than 50% contribution by such member to such dismissal

10.14.1.5 in relation to any member who holds a share or shares by virtue of a transfer or a series of consecutive transfers made pursuant to Article 9.2 the bankruptcy or death of the last person who held such share or shares other than as a result of a transfer made pursuant to Article 9.2 (such last person being referred to as the "original transferor") or the happening in relation to the original transfer of any such event as is referred to in paragraph (c) of regulation 81 or the original transferor making any arrangement or composition with his creditors generally or the original transferor (being an employee or director of the Company or of any subsidiary of the Company) ceasing to be an employee or director of the Company or of any subsidiary of the Company

- 10.14.2 Upon the happening of any Relevant Event the member in question shall be deemed to have immediately given a transfer notice in respect of all the shares as shall then be registered in the name of such member
- 10.14.3 If the Relevant Event shall be the death or bankruptcy of a member and if the shares ("the unsold shares") which are offered to the members pursuant to the transfer notice deemed to be given under sub-paragraph 10.14.2 shall not be sold to the members (or any of them) then, after the expiration of the period during which the unsold shares might have been purchased by a member or members pursuant thereto, the person who has become entitled to the unsold shares in consequence of the death or bankruptcy of the member shall be entitled either:
- 10.14.3.1 to sell the unsold shares to any person in the same manner and subject to the same conditions (*mutatis mutandis*) as a proposing transferor could under sub-paragraph 10.10; or
- 10.14.3.2 to elect at any time to be registered himself as the holder of the unsold shares (but so that such election shall not give rise to any obligation to serve a transfer notice in respect of the unsold shares)
- 10.15 An obligation to transfer a share under the provisions of this Article shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance
- 10.16 The provisions of this Article may be waived in whole or in part in any particular case with the prior written consent of all the members

PROHIBITED TRANSFERS

- 11 Notwithstanding anything else contained in these Articles no share shall be issued or transferred to any bankrupt or person of unsound mind

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) is obtained in the Company:

12.1.1 by a company (other than a company to which paragraph 12.1.2 of Article 12.1 applies) or 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); 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 most recent 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 (within the meaning of Schedule 13, Part I and Section 324 of the Act) 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 (as such terms are defined in Article 9.2)

12.2.3 the expression 'transfer' and 'transferee' shall include respectively the renunciation of a renounceable letter of allotment and the renounee 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:

- (i) a price per share of £1; or
- (ii) 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

plus in either case 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 and in the event of disagreement the calculation of the Specified Price shall be referred to an umpire (acting as expert and not as 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

PROCEEDINGS AT GENERAL MEETINGS

- 13 13.1 Regulation 41 shall be read as if the words "and if at the adjourned meeting a quorum is not present within half an hour from the time appointed therefor, or if during the meeting a quorum ceases to be present, such adjourned meeting shall be dissolved" were added to the end thereof
- 13.2 An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative
- 13.3 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting
- 13.4 Regulation 46 of Table "A" shall be read and construed as if the words "any member" were substituted for the words "at least two members" in paragraph (b) thereof and paragraphs (c) and (d) thereof were deleted
- 13.5 Any such resolution in writing as is referred to in regulation 53 may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative

VOTES OF MEMBERS

- 14 14.1 Subject as provided below in this paragraph and to any other 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 duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder; Provided that:
- 14.1.1 no shares of any class shall confer any right to vote upon a resolution for the removal from office of a director appointed by the holders of the 'A' ordinary shares pursuant to Article 17 other than the shares of the class registered in the names of such holders; and

14.1.2 if at any meeting any holder of shares is not present in person or by proxy the votes exercisable on a poll in respect of the shares of the same class held by members present in person or by proxy shall be pro tanto increased (fractions of a vote by any member being permitted) so that such shares shall together entitle such members to the same aggregate number of votes as could be cast in respect of all the shares of that class if all the holders thereof were present in person

14.2 Regulation 54 shall not apply

ALTERNATE DIRECTORS

15 15.1 Any director (other than an alternate director) may at any time appoint any person (including another director) to be an alternate director and may at any time terminate such appointment. Any such appointment or termination of appointment shall be effected in like manner as provided in Article 17.2. The same person may be appointed as the alternate director of more than one director

15.2 The appointment of an alternate director shall determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor ceases to be a director

15.3 An alternate director shall be entitled to receive notices of meetings of the directors and of any committee of the directors of which his appointor is a member and shall be entitled to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director of the relevant class. It shall not be necessary to give notices of meetings to an alternate director who is absent from the United Kingdom. If an alternate director shall be himself a director or shall attend any such meeting as an alternate for more than one director his voting rights shall be cumulative, but he shall count as only one for the purpose of determining whether a quorum is present. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability his signature to any resolution in writing

of the directors shall be as effective as the signature of his appointor. An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles

- 15.4 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct

- 16 Regulations 65 to 69 shall not apply

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 17 The directors shall not be subject to retirement by rotation and accordingly regulations 73 to 75 shall not apply and all other references in the regulations to retirement by rotation shall be disregarded
- 18 The holders of the ordinary shares may by ordinary resolution appoint and remove other directors of the Company provided that the maximum number of directors shall not exceed 4 without the consent of the holders of the 'A' ordinary shares. Regulations 76 to 80 shall not apply

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 19 Regulation 81 shall be modified by deleting paragraph (e) thereof. The office of a director shall also be vacated if he shall be removed from office as herein before provided

TAKE-OVER OFFER

- 20 20.1 The provisions of this Article shall apply if the directors have received a bona fide offer which has been made by a person who is not connected with any member of the

Company ("the Offeror") and is an offer to purchase all of the issued shares in the capital of the Company, the terms of which have been negotiated on an arm's length basis by the directors on behalf of and in the interests of the members of the Company and are the best which can be negotiated in all the circumstances ("the Offer")

20.2 Within five days after the receipt of the Offer, the directors shall give full details of the terms thereof to all of the members of the Company and shall endeavour to ascertain as soon as possible thereafter:

20.2.1 in relation to each of the members, whether or not he wishes to accept the terms of the Offer in relation to the shares in the Company held by him; and

20.2.2 whether the terms of the Offer are acceptable to the holders of three-fourths in nominal value of the issued shares comprising the issued equity share capital of the Company and whether such holders wish to accept the Offer in relation to the shares held by them

For the purposes of ascertaining the wishes of the members of the Company, the directors may call an extraordinary general meeting of the Company

20.3 If the holders of 97% in nominal value of the issued shares comprising the issued equity share capital of the Company shall have expressed their acceptance of the terms of the Offer and that they wish to accept the Offer in relation to all of the shares held by them (which may be expressed by a special resolution passed by the members either in general meeting or in writing pursuant to regulation 53), the directors shall inform each of the members of the Company of this and every member of the Company shall then be obliged to sell the shares held by him to the Offeror and shall be deemed to have given a notice ("Deemed Sale Notice") to the directors that he ("the proposing seller") desires to transfer all of the shares in the Company then held by him ("the Sale Shares") to the Offeror on the terms of the Offer and the following provisions of this Article shall apply

- 20.4 A Deemed Sale Notice shall constitute the directors as the agents of the proposing seller empowered to sell the Sale Shares (together with all rights attaching thereto at the date of the Offer or at any time thereafter) on the terms of the Offer and in particular at the price or prices provided for by the Offer ("the Sale Price")
- 20.5 A proposing seller shall become bound forthwith upon payment of the Sale Price to him (his receipt shall be a good discharge to the Offeror and the directors therefor, none of whom shall be bound to see the application thereof) to deliver to the Offeror or (if required by the directors) to the directors on the Offeror's behalf, a share transfer of the Sale Shares duly executed by the proposing seller in favour of the Offeror (or such other person or persons as the Offeror shall require) and the relevant share certificate or share certificates relating to the Sale Shares. If a proposing seller, having become bound to transfer any Sale Shares pursuant to this Article makes default in transferring the same, the directors may authorise some person (who shall be deemed to be the attorney of the proposing seller for the purpose) to execute the necessary instrument of transfer of such Sale Shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped) cause the transferee or transferees to be registered as the holder or holders of such Sale Shares and the Company shall hold such purchase money on behalf of the proposing seller. The Company shall not be bound to earn or pay interest on any monies so held. The receipt of the Company for such purchase money shall be a good discharge to the transferee or transferees who shall not be bound to see the application thereof, and after the name of the transferee or transferees has or have been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person
- 20.6 If completion of the sale of all of the shares in the Company does not take place in accordance with the terms of the Offer then the Deemed Sale Notice shall be deemed never to have been given

PENSIONS

- 21 The directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any employees or ex-employees and to officers and ex-officers

(including directors and ex-directors) of the Company or its predecessors in business or of any holding company or subsidiary of the Company or to the relations or dependants of any such persons and may establish, support and maintain pensions, superannuation or other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and/or their relations or dependants or any of them. Any director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit and may vote as a director in respect of the exercise of any of the powers by this Article conferred upon the directors notwithstanding that he is or may become interested therein. Regulation 87 shall not apply

PROCEEDINGS OF DIRECTORS

22 All business arising at any meeting of the directors or of any committee of the directors shall be determined only by resolution passed by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote

22.1 Unless otherwise agreed in writing by each of the directors in any particular case, at least 14 clear days' notice in writing shall be given to each director of every meeting of the directors, except any absent from the United Kingdom for the time being who have:

22.1.1 (in the case of a director) nominated an alternate; or

22.1.2 failed to furnish the Company with an address abroad to which such notices may be forwarded

The third sentence of regulation 88 shall not apply to the Company

22.2 Regulation 111 shall be read as if the words "except that a notice calling a meeting of the directors need not being writing" were deleted therefrom

22.3 Each such notice shall:

22.3.1 be sent to the address notified from time to time by each director to the secretary (or, if there is none at that time, the chairman) as his address for

the service of such notices (or if no address has been so supplied, to his last known address);

- 22.3.2 contain an agenda specifying in reasonable detail the matters to be discussed at the relevant meeting;
 - 22.3.3 be accompanied by any relevant papers for discussion at such meeting; and
 - 22.3.4 if sent to an address outside the United Kingdom, be sent by courier, telex or facsimile transmission
- 22.4 Save as provided in paragraph 23.3.4, any such notice may be delivered personally or by first class prepaid letter and shall be deemed to have been served if by delivery when delivered and if by first class letter 48 hours after posting
- 22.5 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
- 22.6 Except as may be agreed by all of the directors in any particular case, no business or resolution shall be transacted or passed at any meeting of the directors except as was fairly disclosed in the agenda for such meeting
- 22.7 Appropriate complete minutes of each meeting of the directors shall be maintained by the Company and copies thereof distributed to the directors as soon as reasonably practicable after the meeting shall have been held
- 22.8 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:
- 22.8.1 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;

- 22.8.2 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;
- 22.8.3 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;
- 22.8.4 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
- 22.8.5 shall be entitled to vote and be counted in the quorum on any matter concerning the foregoing paragraphs of this Article
- 22.9 For the purposes of this Article:
- 22.9.1 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 or 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;
- 22.9.2 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
- 22.9.3 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

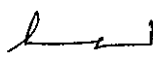
23 Subject as hereinafter provided the directors may exercise all the powers of the Company (whether express or implied):

23.1 of borrowing or securing the payment of money;

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

23.3 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 :

23.4 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 or any subsidiary of the Company and by virtue of any like operations by the Company or any subsidiary 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 purchase, 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 exceed a sum which is the greater of US\$9,000,000  and two and one half times 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

- 23.5 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
- 23.6 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
- 23.7 except with the previous sanction of the holders of the 'A' ordinary 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 MSIMF with interest thereon and from bankers with interest thereon and bank charges

ACCOUNTS AND INFORMATION

- 24 Every member shall be entitled, either himself or through his agents duly authorised in writing, during the Company's normal hours of business to inspect and take copies of the books of account and all other records and documents of the Company and each of its subsidiaries on giving not less than 48 hours, written notice to the secretary (or, if there is none for the time being, the chairman). The Company shall give each such member all such facilities as he may reasonably require for such purposes including the use of copying facilities. The Company shall not charge for any facilities requested as aforesaid. Regulation 109 shall not apply

NOTICES

- 25 A notice sent by post shall be deemed to be given at the time when the same was posted. The second sentence of regulation 115 shall not apply

INDEMNITY

- 26 26.1 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 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 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
- 26.2 The Board of Directors shall have power to purchase and maintain for any director, officer or auditor of the Company insurance against any such liability as is referred to in Section 310 of the Act

OVERRIDING PROVISIONS

- 27 27.1 Notwithstanding the provisions of these Articles the directors shall be obliged, so far as may be permitted by law, to act in all respects in accordance with and give effect to any Relevant Agreement
- 27.2 Where the approval, agreement or consent of any member or director is required under any provision of these Articles to any particular matter, such approval, agreement or consent may be given subject to such terms and conditions as that member or director may require and any breach of such terms and conditions shall ipso facto be deemed to be a breach of these Articles.