

G**COMPANIES FORM No. 12****12****Statutory Declaration of compliance
with requirements on application
for registration of a company****CHA 116**Please do not
write in
this margin

Pursuant to section 12(3) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

For official use

Name of company

* GRAVITAS 1058 LIMITED

* Insert full
name of CompanyI, MR YING HSIEN TAN for and on behalf of Gravitas Company Secretarial Services Ltd
of 25-31 Moorgate, London EC2R 6AR† delete as
appropriate

do solemnly and sincerely declare that I am a ~~Solicitor engaged in the formation of the company~~†
(person named as director or secretary of the company in the statement delivered to the registrar
under section 10(2)) † and that all the requirements of the above Act in respect of the registration of the
above company and of matters precedent and incidental to it have been complied with.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the
provisions of the Statutory Declarations Act 1835

Declared at 35 BASINGHALL STREET
LONDON EC2V 5DB

Declarant to sign below

the 3rd day of JUNEOne thousand nine hundred and ninety three
before me G. G. HIRBY G. G. HIRBY

A Commissioner for Oaths or Notary Public or Justice of
the Peace or Solicitor having the powers conferred on a
Commissioner for Oaths.

Presentor's name address and
reference (if any):
NICHOLSON GRAHAM & JONES
25-31 Moorgate
London EC2R 6AR

For official Use

New Companies Section

Post room

RH \ (RJT) \ FORMS

Package: 'Laserform'
by Laserform International Ltd.

Companies House Approval No: CHA 116

10

Statement of first directors and secretary and intended situation of registered office

This form should be completed in black.

Company name (in full)

CN

For official use ☐

GRAVITAS 1058 LIMITED

Registered office of the company on
incorporation.

RO

19-21 Moorgate

Post town London

County/Region

Postcode EC2R 6AU

If the memorandum is delivered by an
agent for the subscribers of the
memorandum mark 'X' in the box
opposite and give the agent's name
and address.

☒ X

Name NICHOLSON GRAHAM & JONES

RA

25-31 Moorgate

Post town London

County/Region

Postcode EC2R 6AR

Number of continuation sheets attached ☐

To whom should Companies House
direct any enquiries about the
information shown in this form?

NICHOLSON GRAHAM & JONES, 25-31 MOORGATE, LONDON

REF: YHT

Postcode EC2R 6AR

Telephone 071-628 9151

Extension 3218

Company Secretary

Name *Style/Title
Forenames
Surname
*Honours etc
Previous forenames
Previous surname

Address

Usual residential address must be given.
In the case of a corporation, give the registered or principal office address.

Consent signature

CS		
GRAVITAS COMPANY SECRETARIAL SERVICES LIMITED		
AD	25-31 Moorgate	
Post town London		
County/Region		
Postcode EC2R 6AR		Country UK
I consent to act as secretary of the company named on page 1 for and on behalf of Gravitas Company Secretarial Services Limited <i>[Signature]</i> Date 2 June 1993		
Signed		

Directors

Please list directors in alphabetical order.

Name *Style/Title
Forenames
Surname
*Honours etc
Previous forenames
Previous surname

Address

Usual residential address must be given.
In the case of a corporation, give the registered or principal office address.

Date of birth

Business occupation

Other directorships

* Voluntary details

Consent signature

CD		
MICHAEL STEPHEN MACKELCAN		
JOHNS		
NONE		
NONE		
AD	22 BOWERDEAN STREET	
Post town LONDON		
County/Region		
Postcode SW6 3TW		Country UK
DO	1 8 1 0 4 3	Nationality NA BRITISH
OC	SOLICITOR	
OD	MERCHANT RETAIL GROUP PLC, LINKON LTD, NORFOLK	
SMOKEHOUSES LIMITED		
I consent to act as director of the company named on page 1		
Signed <i>[Signature]</i>		Date 2 June 1993

Directors (continued)

Name *Style/Title

Forenames

Surname

*Honours etc

Previous forenames

Previous surname

Address

Usual residential address must be given.

In the case of a corporation, give the registered or principal office address.

Date of birth

Business occupation

Other directorships

* Voluntary details

Consent signature**CD**

LESA JOSEPHINE

WEIL

NONE

NONE

AD

87 WOODVILLE ROAD

Post town SOUTH WOODFORD

County/Region LONDON

Postcode E18 1JT

Country UK

DO

2 1 0 3 6 1

Nationality

NA

BRITISH

OC

SOLICITOR

OD

NONE

I consent to act as director of the company named on page 1

Signed



Date

2 June 1993

Delete if the form is signed by the subscribers.

Signature of agent on behalf of all subscribers Date

Delete if the form is signed by an agent on behalf of all the subscribers.

All the subscribers must sign either personally or by a person or persons authorised to sign for them.

Signed

FOR AND ON BEHALF OF
GRAVITAS COMPANY SECRETARIAL SERVICES LIMITED

Date

Signed



Date

2 June 1993

AUTHORISED SIGNATORY

Signed

Date

Signed

FOR AND ON BEHALF OF
GRAVITAS NOMINEES LIMITED

Date

Signed



Date

2 June 1993

AUTHORISED SIGNATORY

Signed

Date



THE COMPANIES ACTS 1985 and 1989

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

- of -

GRAVITAS 1058 LIMITED

-
1. The Company's name is Gravitas 1058 Limited.
 2. The Company's registered office is to be situated in England and Wales.
 3. (A) (i) The object of the Company is to carry on business as a general commercial company.
(ii) Without prejudice to the generality of the objects and powers of the Company derived from s.3A of the Companies Act 1985 the Company has the following objects:-
 - (B) To purchase, take on lease or on hire or otherwise acquire, hold, develop, sell, hire out, grant leases or licences or otherwise dispose of or deal with real and personal property of all and any kinds and any interest, right or privilege therein, for such consideration and on such terms as may be considered expedient.
 - (C) To build, construct, maintain, alter, enlarge, pull down and remove or replace any buildings, shops, factories, offices, works, machinery, engines and to clear sites for the same or to join with any person, firm or company in doing any of the things aforesaid and to work, manage and control the same or join with others in so doing.
 - (D) To purchase, subscribe for or otherwise acquire, and hold and deal with, any shares, stocks, debentures, bonds or securities of any other company.

- (E) To sell or otherwise dispose of the whole or any part of the business and/or undertaking of the Company, either together or in portions for such consideration and on such terms as may be considered expedient.
- (F) To enter into contracts, agreements and arrangements with any other company for the carrying out by such other company on behalf of the Company of any of the objects for which the Company is formed.
- (G) To purchase or otherwise acquire and undertake, and to supervise and manage, all or any part of the business, property, assets and liabilities of any person or company.
- (H) To invest and deal with the monies of the Company not immediately required for the purpose of its business in or on such investments or securities and in such manner as may be considered expedient, and to dispose of or vary any such investments or securities.
- (I) To enter into any partnership or into any arrangement for sharing profits or to amalgamate with any person or company carrying on or proposing to carry on any business.
- (J) To lend or advance money or give credit to such persons or companies and on such terms as may be considered expedient, and to receive money on deposit or loan from any person or company.
- (K) To borrow or raise money on such terms and on such security as may be considered expedient and, in particular, but without limiting the generality of the foregoing, by the issue or deposit of debentures, and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company both present and future, including its uncalled capital.
- (L) To give indemnity for, or to guarantee, support or secure the performance of all or any of the obligations of any person or company whether by personal covenant or by mortgage, charge or lien on the whole or any part of the undertaking, property and assets of the Company both present and future, including its uncalled capital, or by all or any of such methods; and in particular, but without limiting the generality of the foregoing, to give indemnity for, or to guarantee, support or secure whether by personal covenant or by any such mortgage, charge, or lien, or by all or any of such methods, the performance of all or any of the obligations (including the repayment or payment of the principal and premium of, and interest on, any securities) of any company which is for the

time being the Company's holding company or subsidiary or another subsidiary of any such holding company.

- (M) To pay for any property, assets or rights acquired by the Company, and to discharge or satisfy any debt, obligation or liability of the Company, either in cash or in shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or by any other securities which the Company has power to issue, or partly in one way and partly in another, and generally on such terms as may be considered expedient.
- (N) To accept payment for any property, assets or rights disposed of or dealt with or for any services rendered by the Company, or in discharge or satisfaction of any debt, obligation or liability to the Company, either in cash or in shares, with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or in any other securities, or partly in one way and partly in another, and generally on such terms as may be considered expedient.
- (O) To form, promote, finance or assist any other company, whether for the purpose of acquiring all or any of the undertaking, property and assets of the Company or for any other purpose which may be considered expedient.
- (P) To issue, place, underwrite or guarantee the subscription of, or concur or assist in the issuing or placing, underwriting or guaranteeing the subscription of shares, stocks, debentures, bonds, and other securities of any company on such terms as to remuneration and otherwise as may be considered expedient.
- (Q) To apply for, purchase or otherwise acquire and hold, use, develop, sell, licence or otherwise dispose of or deal with patents, copyrights, designs, trademarks, secret processes, know-how and inventions and any interest therein.
- (R) To draw, make, accept, endorse, negotiate, discount, execute, and issue promissory notes, bills of exchange, scrip warrants and other transferable or negotiable instruments.
- (S) To establish and maintain or procure the establishment and maintenance of, any pension superannuation funds or retirement benefit schemes (whether contributory or otherwise) for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances, emoluments and any other relevant benefits to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary or holding company of the Company or which is a subsidiary of any such holding company or is allied to or associated with the Company, or any such subsidiary or of any of the predecessors of the Company or any

such other company as aforesaid, or who may be or have been Directors or officers of the Company, or of any such other company as aforesaid, and the wives, widows, families and dependents of any such persons, and to establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the interests and well being of, the Company or of any other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid either alone or in conjunction with any such company as aforesaid and without prejudice to the generality of the foregoing to act either alone or jointly as trustee or administrator for the furtherance of any of the aforesaid purposes.

- (T) To establish, on and subject to such terms as may be considered expedient, a scheme or schemes for or in relation to the purchase of, or subscription for, any fully or partly paid shares in the capital of the Company by, or by trustees for, or otherwise for the benefit of, employees of the Company or of its subsidiary or associated companies.
- (U) To the extent permitted by law, to give financial assistance for the purpose of the acquisition of shares of the Company or for the purpose of reducing or discharging a liability incurred for the purpose of such an acquisition and to give such assistance by means of a gift, loan, guarantee, indemnity, the provision of security or otherwise.
- (V) To publicise the businesses, goods and services of the Company by such means as may be considered expedient.
- (W) To subscribe or guarantee money for any national, charitable, benevolent, public, general, political or useful object, and to undertake and execute any trusts the undertaking whereof may be considered expedient, and either gratuitously or otherwise.
- (X) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (Y) To enter into any arrangement with any Government or other authority, supreme, municipal, local or otherwise, and to

obtain from any such Government or authority any rights, concessions, privileges, licences and permits, and to promote any legislation, as may be considered expedient.

- (Z) To distribute among the Members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, and for such purpose to distinguish and separate capital from profits, but so that no distribution amounting to a reduction of capital shall be made except with the sanction (if any) for the time being required by law.
- (AA) To remunerate any person or company rendering service to the Company in any manner and to pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company and of any other company formed, promoted, financed or assisted by the Company, or which the Company shall consider to be in the nature of preliminary expenses in relation to the Company or any such other company, including the cost of advertising, commissions for underwriting, brokerage, printing and stationery, and the legal and other expenses of the promoters.
- (AB) To purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or auditors of the Company, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company and to such extent as may be permitted by law otherwise to indemnify or to exempt any such person against or from such liability.
- (AC) To do all or any of the above things in any part of the world, either alone or in conjunction with others, and either as principals, agents, brokers, contractors, trustees, importers, exporters, buyers, sellers, distributors, dealers or otherwise and to procure the Company to be registered or recognised in any foreign country or place.
- (AD) To carry on any business which, in the opinion of the Directors of the Company, may seem capable of being conveniently carried on in connection with or as ancillary to the general business of the Company or calculated directly or indirectly to enhance the value of or render profitable any of the property of the Company or to further any of its objects and to do all other things as may be incidental or conducive to the attainment of any of the objects of the Company.

It is hereby declared (1) that the expressions "subsidiary" and "holding company" where they appear in this Clause shall have the meanings ascribed to those expressions by Section 736 of the Companies Act 1985; (2) that, where the context so admits, the word "company" in this Clause shall be deemed to include any partnership or other body of persons whether or not incorporated and, if incorporated, whether or not a company within the meaning of the Companies Act 1985; and (3) that the objects specified in each of the sub-clauses of this Clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except where otherwise expressed therein) by reference to or inference from the terms of any other sub-clause or the name of the Company, but may be carried out in as full and ample a manner and construed in as wide a sense as if each defined the objects of a separate and distinct company.

4. The liability of the Members is limited.
5. The share capital of the Company is £100 divided into 100 shares of £1 each.

WE, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares in the capital of the Company shown opposite our respective names.

NAMES AND ADDRESSES OF SUBSCRIBERS

Number of Shares
taken by each
Subscriber

Luceil

Gravitas Company Secretarial Services Limited
25-31 Moorgate
London EC2R 6AR

One

[Signature]

Gravitas Nominees Limited
25-31 Moorgate
London EC2R 6AR

One

DATED this 2nd day of June 1993

WITNESS to all the above signatures:-

RICHARD HARDWICK
25-31 Moorgate
London EC2R 6AR

[Signature]

THE COMPANIES ACTS 1985 and 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

GRAVITAS 1058 LIMITED

1. Preliminary and Interpretation

1.1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 ("Table A") shall apply to the Company save insofar as they are excluded or modified hereby.

1.2 The regulations of Table A numbered 1, 3, 8, 24, 38, 41, 54, 64, 65, 66, 67, 68, 69, 73, 74, 75, 76, 77, 78, 79, 81, 87, 89, 93, 94, 101, 108, 111, 115 and 118 shall not apply. The regulations of Table A numbered 31, 62, 88, 112 and 116 shall be modified. Subject to such exclusions and modifications, and in addition to the remaining regulations of Table A, the following shall be the articles of association of the Company.

1.3 In these regulations and in the regulations of Table A that apply to the Company:

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

"the Articles" means the articles for the time being of the Company.

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

"executed" includes any mode of execution.

"office" means the registered office for the time being of the Company.

"the holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares.

"the seal" means the common seal of the Company.

"secretary" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary.

"the United Kingdom" means Great Britain and Northern Ireland.

"a person of unsound mind" means a person who is, or may be, suffering from mental disorder and either:-

- (a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
- (b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs.

Unless the context otherwise requires, words or expressions contained in these regulations and in the regulations of Table A that apply to the Company bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company, words importing the singular only shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing natural persons shall include also corporations.

The headings in these regulations are for convenience only and shall be ignored in construing the language or meaning of the Articles. Regulation 1 of Table A shall not apply.

2. Private Company

The Company is a Private Company within the meaning of Section 1 of the Act and accordingly no shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and the Company shall not 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.

3. Share Capital

- 3.1 Subject to the provisions of the Act and without prejudice to Sub-Article 3.2 any shares may be issued which are to be redeemed or

are liable to be redeemed at the option of the company or the holder of such shares on such terms and in such manner as may be provided by the Articles or as the Company may by resolution determine. Regulation 3 of Table A shall not apply.

- 3.2 The unissued shares in the capital of the Company for the time being shall be under the control of the Directors, who are hereby generally and unconditionally authorised to allot, grant options over, or otherwise dispose of or deal with any unissued shares and relevant securities (as defined in Section 80(2) of the Act) to such persons, on such terms and in such manner as they think fit, but subject to any agreement binding on the Company Provided that the authority contained in this Article insofar as the same relates to relevant securities (as defined as aforesaid) shall, unless revoked or varied in accordance with Section 80 of the Act:-

- (i) be limited to a maximum nominal amount of shares equal to the amount of the authorised share capital with which the Company is incorporated; and
- (ii) expire five years from the date of incorporation of the Company but without prejudice to any offer or agreement made before that anniversary which would or might require the exercise by the Directors after such anniversary of their powers in pursuance of the said authority.

In exercising their authority under this Sub-Article the Directors shall not be required to have regard to Sections 89(1) and 90(1) to (6) (inclusive) of the Act which Sections shall be excluded from applying to the Company.

4. Lien

The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of any person for all moneys presently payable by him or his estate to the Company, whether he shall be the sole registered holder thereof or shall be one of several joint holders; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends payable thereon. Regulation 8 of Table A shall not apply.

5. Transfer of Shares

- 5.1 The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share, whether or not it is a fully paid share. Without prejudice to the

generality of the foregoing the Directors may refuse to register a transfer unless:

- (i) it is lodged at the office or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- (ii) it is in respect of only one class of shares; and
- (iii) it is in favour of not more than four transferees.

5.2 No share shall be transferred to any infant, bankrupt or person of unsound mind.

5.3 Regulation 24 of Table A shall not apply.

6. Variation of Rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths 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 the shares of the class. To every such separate General Meeting the provisions of these regulations relating to General Meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of that class and that any holder of shares of the class present in person or by proxy may demand a poll.

7. Notice of General Meetings

An Annual General Meeting and an Extraordinary General Meeting called for the passing of a Special Resolution shall be called by at least twenty-one clear days' notice. All other Extraordinary General Meetings shall be called by at least fourteen clear days' notice but a General Meeting may be called by shorter notice if it is so agreed

- (a) in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other Meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.

The notice shall specify the time and place of the Meeting and the general nature of the business to be transacted and, in the case of an Annual General Meeting, shall specify the Meeting as such.

Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the Directors and Auditors. Regulation 38 of Table A shall not apply.

8. Proceedings at General Meetings

If a quorum is not present within half an hour from the time appointed for the Meeting, or if during a Meeting such a quorum ceases to be present, the Meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine; and if at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, or if during the adjourned Meeting such a quorum ceases to be present such adjourned Meeting shall be dissolved. Regulation 41 of Table A shall not apply.

9. Votes of Members

9.1 Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy 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. Section 372(2)(c) of the Act and Regulation 54 of Table A shall not apply.

9.2 Regulation 62 of Table A shall be modified by the deletion in paragraph (a) of the words "within the United Kingdom".

9.3 The Chairman may, in his discretion, accept an instrument of proxy at any time notwithstanding that it has not been deposited within the time limits specified in Regulation 62 of Table A which shall be modified accordingly.

10. Number of Directors

The minimum number of Directors shall be one and there shall be no maximum number. Regulation 64 of Table A shall not apply.

11. Alternate Directors

11.1 Any Director (other than an alternate Director) may appoint any other person willing to act, whether or not he is a director of the Company, to be an alternate Director and may remove from office an alternate Director so appointed by him. Save as otherwise provided in these Articles, unless he is already an officer of the Company in his own right, an alternate Director shall not, as such, have any rights other than those mentioned in Sub-Article 11.2 below.

- 11.2 An alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member, and to attend, speak and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence. An alternate Director who is absent from the United Kingdom shall be entitled to receive notice of all meetings of Directors and meetings of committees of Directors. A Director present at such meeting and appointed alternate Director for any other Directors entitled to attend and vote at such meeting shall have a additional vote for each of his appointors absent from the meeting. An alternate Director shall not be entitled to receive any remuneration from the Company for his services as an alternate Director.
- 11.3 An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director; but, if a Director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his reappointment.
- 11.4 Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment.
- 11.5 Without prejudice to Sub-Article 11.2 and save as otherwise provided in the Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.
- 11.6 Regulations 65 to 69 (inclusive) of Table A shall not apply and Regulation 88 of Table A shall be modified accordingly.
12. Powers of Directors
- 12.1 The Directors may sanction the exercise by the Company of all the powers of the Company to make provision for the benefit of persons (including Directors) employed or formerly employed by the Company or any subsidiary of the Company in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or any such subsidiary as are conferred by Section 719 of the Act and the Insolvency Act 1986, s187 and, subject to such sanction, the Directors may exercise all such powers of the Company.
- 12.2 The Directors may exercise all the powers of the Company to borrow and raise money without limit as to amount and upon such terms and in such manner as they think fit, and to mortgage and charge all or any part of the undertaking, property and uncalled capital of the Company and, subject to the provisions of the Act, to issue

debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

13. Appointment and Retirement of Directors

- 13.1 The Directors of the Company shall not retire by rotation and Regulations 73 to 78 (inclusive) of Table A shall not apply.
- 13.2 The Directors shall have power at any time and from time to time to appoint any other person to be a Director of the Company either to fill a casual vacancy or as an addition to the Board. Subject to Sub-Article 14.1 a Director may be appointed under this Article to hold office for life or any other period or upon such terms in respect of his retirement as the Directors shall at the time of his appointment determine. Regulation 79 of Table A shall not apply.
- 13.3 Without prejudice to the powers of the Directors under Sub-Article 13.2 the Company may by Ordinary Resolution appoint a person who is willing to act to be a Director either to fill a casual vacancy or as an addition to the Board.
- 13.4 The holder or holders of a majority in nominal value of such part of the issued share capital of the Company as confers the right for the time being to attend and vote at General Meetings of the Company may at any time or from time to time by memorandum in writing signed by or on behalf of him or them and left at or sent to the office of the Company remove any Director from office or appoint any person to be a Director. Such removal or appointment shall take effect forthwith upon delivery of the memorandum to the office of the Company or on such later date (if any) as may be specified therein.

14. Disqualification and Removal of Directors

- 14.1 The office of Director shall be vacated if:-
- (i) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director; or
 - (ii) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (iii) he is a person of unsound mind; or
 - (iv) he resigns his office by notice to the Company; or
 - (v) he is removed from office under Section 303 of the Act, or by Extraordinary Resolution of the Company; or
 - (vi) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors

held during that period and the directors resolve that his office be vacated; or

(vii) he is removed from office by notice addressed to him at his last known address and signed by all his co-directors; or

(viii) he is removed from office by notice given by a member or members under sub-Article 13.4;

and Regulation 81 of Table A shall not apply.

14.2 No person shall be disqualified from being or becoming a Director of the Company by reason of his attaining or having attained the age of 70 years or any other age. Section 293 of the Act shall not apply.

15. Directors' Interests

Provided that a Director declares his interest in a contract or arrangement or proposed contract or arrangement with the Company in manner provided by Section 317 of the Act he shall be counted in the quorum of any meeting of Directors at which the same is considered and shall be entitled to vote as a Director in respect thereof. Regulation 94 of Table A shall not apply.

16. Directors' Gratuities and Pensions

The Directors shall have power to pay or provide and agree to pay or provide pensions or other retirement, superannuation, death or disability benefits to, or to any person in respect of any Director or former Director of the Company or any subsidiary or holding company of the Company or another subsidiary of any such holding company and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums (whether before or after such Director ceases to hold office or employment). A Director may vote at a meeting of Directors in respect of any matter referred to in this Article, notwithstanding that he is personally interested in such matter and shall be counted in the quorum present at the meeting. Regulation 87 of Table A shall not apply.

17. Proceedings of Directors

17.1 It shall be necessary to give notice of a meeting to a director who is absent from the United Kingdom and Regulation 88 of Table A shall be modified accordingly.

17.2 The quorum for the transaction of the business of the Directors shall, except when one Director only is in office, be two. A person who holds office as alternate Director shall, if his appointor is not present, be counted in the quorum. When one Director only is in office he shall have and may exercise all the powers and authorities

in and over the affairs of the Company as are conferred on the Directors by the Articles. Regulation 89 of Table A shall not apply.

- 17.3 The Directors at any meeting of Directors need not be present at one place provided that they are able to hear and communicate with each other by telephone or other instantaneous means throughout the proceedings and both the Director(s) present at the place fixed for the meeting and the Director(s) in communication are willing to treat the Director(s) in communication as being present.
- 17.4 A resolution in writing signed by all the Directors (including a sole Director) entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but a resolution signed by an alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity. Regulation 93 of Table A shall not apply.

18. The Seal

If the Company has a seal it shall only be used with the authority of the Directors or of a committee of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director. The obligation under Regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Regulation 101 of Table A shall not apply.

19. Dividends

- 19.1 The Directors may retain the dividends payable upon shares in respect of which any person under the provisions as to the transmission of shares hereinbefore contained is entitled to become a member, or which any person under those provisions is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same, in this case subject to Article 5. Regulation 31 of Table A shall be modified accordingly.
- 19.2 The payment by the Directors of any unclaimed dividend or other monies payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. Any dividend unclaimed after a period of twelve years from the date when it became due for payment shall be forfeited and cease to remain owing by the Company. Regulation 108 of Table A shall not apply.

20. Notices

- 20.1 Any notice given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing. Any notice given by or on behalf of any person to the Company may be given by leaving the same at or by sending the same by post to the office or such other place as the Directors may appoint. Regulation 111 of Table A shall not apply.
- 20.2 Regulation 112 of Table A shall be modified by the deletion of the last sentence and the substitution therefor of the following: "Any member whose registered address is not within the United Kingdom shall be entitled to have notices given to him at that address."
- 20.3 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Any notice given pursuant to the Articles by the Company by post to an address within the United Kingdom shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted. Any such notice sent by post to an address outside the United Kingdom shall be posted by airmail and shall be deemed to be given at the expiration of 72 hours after the envelope containing it was posted. Any notice not sent by post but left at a member's registered address shall be deemed to be given on the day it was so left. Regulation 115 of Table A shall not apply.
- 20.4 Regulation 116 of Table A shall be modified by the deletion of the words "within the United Kingdom".

21. Indemnities

- 21.1 Every Director or other officer or Auditor of the Company shall be indemnified out of the assets of the Company against all losses or 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 144 or Section 727 of the Act in which relief is granted to him by the Court, and 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. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act. Regulation 118 of Table A shall not apply.
- 21.2 The 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(1) of the Act.

NAMES AND ADDRESSES OF SUBSCRIBERS

Quail

Gravitas Company Secretarial Services Limited
25-31 Moorgate
London EC2R 6AR

[Signature]

Gravitas Nominees Limited
25-31 Moorgate
London EC2R 6AR

DATED this *2nd* day of June 1993

WITNESS to all the above signatures:-

RICHARD HARDWICK
25-31 Moorgate
London EC2R 6AR

[Signature: R Hardwick]

FILE COPY



**CERTIFICATE OF INCORPORATION
OF A PRIVATE LIMITED COMPANY**

No. 2826284

I hereby certify that

GRAVITAS 1058 LIMITED

is this day incorporated under the Companies Act 1985 as
a private company and that the Company is limited.

Given under my hand at the Companies Registration Office,
Cardiff the 11 JUNE 1993


M.LEWIS

an authorised officer



COMPANIES FORM No. 224

224

Notice of accounting reference date
(to be delivered within 9 months of
incorporation)

Please do not
write in
this margin

Pursuant to section 224 of the Companies Act 1985
as inserted by section 3 of the Companies Act 1989

Please complete
legibly, preferably
in black type, or
bold block
lettering

To the Registrar of Companies
(Address overleaf)

Company number

2826284

*Insert full name
of company

Name of company

* GRAVITAS 1058 LIMITED

gives notice that the date on which the company's accounting reference period is to be
treated as coming to an end in each successive year is as shown below:

Important

The accounting
reference date to
be entered along-
side should be
completed as in the
following examples:

Day Month

3 1 0 3

5 April

Day Month

0 5 0 4

30 June

Day Month

3 0 0 6

31 December

Day Month

3 1 1 2

+ Insert
Director,
Secretary,
Administrator,
Administrative
Receiver or
Receiver
(Scotland) as
appropriate

Signed

Designation +

DIRECTOR &
SECRETARY

Date

2/3/94

Presenter's name address and
reference (if any):

For official use

D.E.B.

Post room



COMPANIES HOUSE

If you need to contact us regarding
this notice, please quote reference

THE DIRECTORS
GRAVITAS 1038 LIMITED
19-21 MOORGATE
LONDON
EC2R 6AU

ARD ./ 02826284

Date: 14 FEBRUARY 1994

COMPANIES ACT 1985 (as amended by Companies Act 1989)

This company has until 11/ 3/94 to specify an accounting
reference date. This may be done on the form 224 overleaf.

Should it not do so, the accounting reference date will
be 30/06 and the first accounts will cover the period
11/ 6/93 to 30/ 6/94

COMPANIES HOUSE
CARDIFF
CF4 3UZ

Tel: Cardiff (0222) 380008

764

dti

Companies House is an executive agency within the Department of Trade and Industry

HR102A



COMPANIES FORM No. 123

Notice of increase
in nominal capital

123

CHA 116

Please do not
write in
this margin

Pursuant to section 123 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

Company number

[] [] [] []

2826284

Name of company

*GRAVITAS 1058 LIMITED

*Insert full name
of company

gives notice in accordance with section 123 of the above Act that by resolution of the company
dated 7 October 1994 the nominal capital of the company has been

increased by £ 101,231 beyond the registered capital of £ 100.

§ the copy must be
printed or in some
other form approved
by the registrar

A copy of the resolution authorising the increase is attached. §

The conditions (eg. voting rights, dividend rights, winding-up rights etc.) subject to which the new
shares have been or are to be issued are as follows:

as set out in the Articles of Association adopted on the same date

Please tick here if
continued overleaf

☐

‡ Insert
Director,
Secretary,
Administrator,
Administrative
Receiver or
Receiver
(Scotland) as
appropriate

Signed

Designation ‡

SECRETARY

Date

7/10/94

Presentor's name, address and
reference (if any):

Nicholson Graham & Jones
25-31 Moorgate
London EC2R 6AR

ZAG/073-1

For official use

General Section

Post room



A37 *ALBLYSNH* 324
COMPANIES HOUSE 20/10/94

**Notice of consolidation, division,
sub-division, redemption or
cancellation of shares, or conversion,
re-conversion of stock into shares**

122

G

CHA 116

Please do not
write in
this margin

Pursuant to section 122 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number

Please complete
legibly, preferably
in black type, or
bold block lettering

[] [] [] []

2826264

Name of company

~~* METROLINE TRAVEL LIMITED~~

GRAVITAS 1058 LTD

* Insert full name
of company

gives notice that:

on 7 October 5 ordinary shares of £1 each were converted and sub-divided into 5,000 deferred shares of 0.1p each and 95 ordinary shares of £1 each were converted and sub-divided into 95,000 A Ordinary Shares of 0.1p each having the rights and restrictions set out in the Articles of Association adopted on the same date.

† Insert
Director,
Secretary,
Administrator,
Administrative
Receiver or
Receiver
(Scotland) as
appropriate

Signed

Designation† *SECRETARY*

Date *7/10/94*

Presenter's name address and
reference (if any):

Nicholson Graham &
Jones
25-31 Moorgate
London EC2R 6AR

ZAG/073-1

For official Use

General Section

Post room



A37 *ALBLX5NG* 323
COMPANIES HOUSE 20/10/94

THE COMPANIES ACTS 1985 and 1989

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

-of-

GRAVITAS 1058 LIMITED

(Adopted by Special Resolution passed
on 7 October 1994)

PRELIMINARY

1. (A) (1) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 ("Table A") shall apply to the Company save in so far as they are excluded or varied by or are inconsistent with these Articles of Association and such Regulations (save for such exclusions, variations or inconsistencies) and the Articles hereinafter contained shall be the Articles of Association of the Company. References in these Articles to a Regulation shall be to the Regulation of that number contained in Table A.
- (2) Regulation 1 shall apply to the construction of these Articles and in the final sentence of Regulation 1 "Articles" shall be substituted for "Regulations".
- (3) References in these Articles to writing shall include typewriting, printing, lithography, photography, telex and facsimile messages and other means of representing or reproducing words in a legible and non-transitory form.
- (4) Regulations 40, 73 to 80 (inclusive), 118 and the first sentence of Regulation 24 shall not apply to the Company.



(B) In these Articles:-

"A Ordinary Shares"	means the A Ordinary Shares of 0.1p each in the Company;
"Accounts"	shall have the meaning ascribed thereto in Article 6(A);
"Auditors"	means the auditors for the time being of the Company;
"B Ordinary Shares"	means the B Ordinary Shares of 0.1p each in the Company;
"Conversion Shares"	bears the meaning set out in Article 8(E)(1);
"C Ordinary Shares"	means the C Ordinary Shares of 0.2p each in the Company initially held by certain directors of the Company;
"Dealing Day"	shall have the meaning given in the EBT Rules;
"Deferred Shares"	means the Deferred Shares of 0.1p each in the Company including those Deferred Shares to be created by the conversion of certain of the C Ordinary Shares and B Ordinary Shares pursuant to the exit ratchet provisions in Article 8(E) below;
"Directors"	means the directors for the time being of the Company;
"D Ordinary Shares"	means the D Ordinary Shares of 0.1p each in the Company initially held by certain managers of the Company's subsidiary;

"EBT"	means the employee benefit trust established by the Company pursuant to a trust deed dated 7 October 1994 between the Company and Gravitas 1070 Limited (whose name is to be changed to Metroline Trustees Limited);
"EBT Rules"	means the rules of the EBT contained in the Schedule to the deed establishing the EBT as from time to time amended;
"Employee"	means a bona fide employee from time to time of Metroline Travel Limited, the Company, any subsidiary or holding company of the Company or any subsidiary of the Company's holding company who holds only A Ordinary Shares;
"ESOP"	means any employees' share scheme within the meaning of Section 743 of the Companies Act 1985;
"Financial Year"	means a financial year or other period in respect of which the Company prepares its accounts in accordance with the relevant provisions of the Act;
"Interest Rate"	means the rate per annum which is the greater of 14% per annum and four per cent over the Base Rate from time to time of the Royal Bank of Scotland Plc;
"Internal Market"	means the market in the A Ordinary Shares governed by the EBT Rules;
"Investment Agreement"	means the investment agreement dated 7 October 1994 and made between the Company (1) Granville (as defined

therein) (2) the Investor (as defined therein) (3) the Directors (as defined therein) (4) and the Trustees (as defined therein);

"Investor"

means all or any of The Granville Private Equity Limited Partnership, any person to whom further shares in the Company are issued pursuant to Clause 4.11 of the Investment Agreement and any person to whom any such Investor transfers shares in the Company from time to time pursuant to its rights under Article 12(C) below;

"Investor's Group Company"

shall have the same meaning as is attributed to Investor Group Company in the Investment Agreement together with the Investor (as defined in the Investment Agreement);

"Listing"

means listing of any part of the share capital of the Company on the Official List of The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited or the grant of permission to deal in the same on any recognised investment exchange (as defined by Section 207 of the Financial Services Act 1986) pursuant to the formal application of the Company;

"Net Profit"

shall have the meaning ascribed thereto in Article 6(D);

"Ordinary Shares"

means the Ordinary Shares in the Company (regardless of class);

"Ordinary Share Value" means:-

- (1) in relation to a Listing, the value per A Ordinary Share, (taking into account any and all additional shares issued or to be issued by the Company at or about the time of which Listing or otherwise connected therewith whether by way of the conversion of shares, the exercise of outstanding share options or warrants, or otherwise) calculated by reference to the value the brokers to the Company (acting as experts and not as arbitrators) certify, on the last practical date prior to the Anticipated Conversion Date, to be their actual value determined by reference either to the price at which they are to be offered for sale or subscription to the public or placed or, if Listing is effected by a placing and intermediaries offer, the anticipated price at which the shares are to be offered to intermediaries or, if Listing is effected by way of an introduction, the anticipated middle market price of such shares on the first day of dealings therein or, if Listing is effected by some other method, determined by reference to the price then placed on such shares. The said certificate of the brokers to the Company shall be final and binding on the Company and its Shareholders;
- (2) in relation to a Sale, the average price being paid for each A Ordinary Share, (taking into account any and all additional shares issued or to be issued by the Company at or about the time of

which Listing or otherwise connected therewith whether by way of the conversion of shares, the exercise of outstanding share options or warrants or otherwise, paid by the person or persons acquiring control. Such price shall be adjusted to take account of the net present value, as at completion of the Sale, of any unconditional future consideration (calculated on the basis of a discount rate of 35% per annum accruing on a daily basis). If any contingent consideration is payable on such Sale, the holders of the majority of the B Ordinary Shares and the holders of the majority of the C Ordinary Shares shall agree an appropriate mechanism for the appropriation of such contingent consideration between members (including without limitation the circumstances of categories of shareholders within the classes) and for the making of adjustments as between members who receive more or less than their proportionate entitlement in such manner as is fair and reasonable in the circumstances (failing which the matter shall be settled by the firm appointed under Article 8(E)(3)) and in valuing deferred consideration the discount rate shall be increased to the extent appropriate to reflect the level of any credit risk and the existence (or otherwise) of any guarantees to secure payment;

"Preference Shares"

means the cumulative redeemable preference shares of £1 each in the Company to which are attached the rights set out in Article 8;

"redemption value"

means, in relation to any Preference Share, the aggregate of the principal amount subscribed for that Preference Share, any premium due on redemption, all arrears of Preference Dividend and any other amount due on redemption of that Preference Share on any particular date;

"Refinancing"

means a refinancing pursuant to any Directors Plan or any Granville Plan produced in accordance with Clause 9 of the Investment Agreement;

"repayment value"

means, in relation to any Subordinated Loanstock, the aggregate of the principal amount subscribed for that Subordinated Loanstock, any premium due on repayment, all arrears of interest and any other amount due on repayment that Subordinated Loanstock on any particular date;

"Sale"

means the acceptance of an offer or the making of an agreement which upon the satisfaction of the conditions (if any) of such offer or agreement results in a change in control as defined in Article 13(G);

"Subordinated
Loanstock"

means the £3,400,000 (principal amount) of loanstock issued by the Company to the Investor pursuant to the Investment Agreement and all other loanstock issued

by the Company to the Investor from time to time; and

"Trustee"

means in Article 13(M) the trustee or trustees for the time being of the EBT.

GENERAL MEETINGS

2. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Two persons, being members present in person or proxies for a member or members or duly authorised representatives of corporations shall be a quorum at any general meeting PROVIDED THAT notwithstanding the foregoing and so long as there are any B Ordinary Shares in issue there shall be no quorum unless one of the members present in person or by proxy or by duly authorised representative shall be the Investor. If the Investor is not so present then the meeting shall stand adjourned for a period of not less than 7 days to such time and place as the Directors shall agree and notify to the members. If the Investor is not present at the adjourned meeting then subject to the foregoing provisions of this Article the members then present in person or by proxy or by duly authorised representatives shall constitute a quorum. All general meetings of the Company shall take place within 20 miles of the registered office of the Company unless the Investor otherwise agrees in writing.
3. With respect to any such resolution in writing as is referred to in Regulation 53 of Table A, in the case of a corporation which holds a share, the signature of any director or the secretary thereof shall be sufficient for the purposes of Regulation 53.
4. All business shall be deemed special that is transacted at an extraordinary general meeting and also all that is transacted at an annual general meeting with the exception of the consideration of the audited accounts, balance sheets and the reports of the Directors and the Auditors and the appointment of, and the fixing of the remuneration of the Auditors.

5. At any general meeting of the Company, a poll may be demanded by one or more members present in person or by proxy and having the right to vote at the meeting and sub-clauses (b), (c) and (d) of Regulation 46 shall be modified accordingly. A proxy shall be entitled to vote on a show of hands.

ACCOUNTS AND ANNUAL GENERAL MEETINGS

6. (A) Every Financial Year of the Company shall commence on 1 April and end on 31 March in each year (unless otherwise agreed by the Investor Director), and the Directors shall cause to be prepared, in accordance with the provisions of the Act, a consolidated balance sheet of the Company and its subsidiaries as at the end of each such Financial Year and a consolidated profit and loss account of the Company and its subsidiaries for each such Financial Year (which said balance sheet and profit and loss account are hereinafter collectively referred to as "the Accounts").
- (B) An annual general meeting of the Company shall be held not later than the last business day of the fourth month after the end of the immediately preceding Financial Year in each calendar year in respect of the immediately preceding Financial Year at such time and place as the Directors shall determine (subject to Article 2 above) and the Directors shall cause to be laid before each such annual general meeting the Accounts for such Financial Year together with the respective reports thereon of the Directors and of the Auditors such reports complying with the provisions of the Act.
- (C) At the same time as reporting on the Accounts for any Financial Year of the Company the Auditors shall report in writing to the Directors what is in their opinion:-
- (1) in respect of each Financial Year the amount of the Net Profit of the Company; and
 - (2) in respect of each Financial Year the amount of the dividend (if any) payable in respect of each B Ordinary Share in accordance with the provisions of these Articles.

In so reporting the Auditors shall be deemed to be acting as experts and not as arbitrators; and the amounts as so reported shall be conclusive and binding on the Company and upon all of its members for the purposes of these Articles in the absence of manifest error.

(D) For the purposes of these Articles the "Net Profit" of the Company for any Financial Year of the Company means the group profit after tax of the Company and its subsidiaries as shown by the audited consolidated profit and loss account of the Company and its subsidiaries in the Accounts for the relevant Financial Year:-

- (1) before provision has been made for the payment of any dividend on any share in the capital of the Company or any of its subsidiaries (and adding back to such profits the amount of any interim dividend declared and paid by the Company or any of its subsidiaries in the year to which such audited consolidated profit and loss account relates) or for any other distribution;
- (2) before taking into account any transfer or proposed transfer to reserves;
- (3) before writing off any amount in respect of goodwill or other intangible assets;
- (4) but after taking into account any payment in respect of or provision for corporation tax (including advance corporation tax) (or any other tax equivalent to corporation tax in the case of any overseas subsidiary) and any other tax (whether of the United Kingdom or otherwise) which may be imposed on or by reference to profits, gains income or distributions.

SHARE CAPITAL

7. The authorised Share Capital of the Company at the date of the adoption of these Articles is £101,331 divided into:-

- (A) 100,000 Preference Shares;

- (B) 526,000 A Ordinary Shares;
- (C) 175,000 B Ordinary Shares;
- (D) 276,000 C Ordinary Shares;
- (E) 23,000 D Ordinary Shares;
- (F) 5,000 Deferred Shares; and
- (G) 50,000 Unclassified Shares of 0.1p each.

Further Deferred Shares and further A Ordinary Shares may be created by conversion of B Ordinary Shares, C Ordinary Shares and D Ordinary Shares pursuant to the exit ratchet mechanism in Article 8(E).

8. The special rights and restrictions attached to and imposed on the Preference Shares, the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the D Ordinary Shares and the Deferred Shares respectively are as follows:-

(A) Income: Preference Shares

- (1) The Preference Shares shall confer upon the holders thereof as a class the right in priority to any payment by way of dividend to the holders of any other shares in the capital of the Company to receive (exclusive of any associated tax credit) a preferential dividend ("the Preference Dividend").
- (2) The gross Preference Dividend shall be an amount equal to 12% per annum (after the addition to the Dividend of any associated tax credit) of the subscription price (inclusive of any premium) paid for each Preference Share in respect of each Financial Year until redemption and proportionately for any part.

- (3) The Preference Dividend shall be paid in cash until redemption, by four equal instalments (exclusive of any associated tax credit) on the last working day in week 12, week 24, week 36 and

NHJ
CTM
the date
which is
28 2-75
after

week 52 in each financial year (determined by reference to the Company's management accounting periods) or such other quarterly dates as the Investor Director may reasonably specify from time to time and the first such payment being not later than 1st January 1995 in respect of the period commencing on 7 October 1994 (irrespective of the date of issue) and ending on that date.

- (4) The Preference Dividend shall ipso facto and without any resolution of the Directors or of the Company in general meeting (and notwithstanding anything contained in Regulations 102 to 108 (inclusive) of Table A) accrue from day to day and shall on the due date for payment become a debt due from and immediately payable whether demanded or not by the Company to the holders of the Preference Shares held by each such shareholder.
- (5) In the event that the Company fails to pay any sum hereunder on the due date, the Company shall (without prejudice to all other rights of the shareholders hereunder in respect of such default) pay interest on such overdue amount from ~~the date which is 28 days after the due date~~ (or if earlier from the date which is two business days after Societe Generale have confirmed that such sum may be paid) up to the date of actual payment (as well after as before judgment) at the Interest Rate and so that any change in such rate shall take effect at the opening of business on the day specified on the announcement thereof and such interest shall accrue from day to day and shall be paid by the Company on the last Business Day of each calendar month and if not so paid shall itself bear interest in accordance with this Article.

(B) Income: B Ordinary Shares

- (1) The B Ordinary Shares shall confer upon the holders thereof as a class the right in priority to any payment by way of dividend to the holders of any other shares in the capital of the Company (other than the Preference Shares) to receive a Participating Dividend of an amount equal (after the addition of any

associated tax credit) to the Relevant Percentage of the Net Profit for the Financial Year concerned ("the Participating Dividend").

- (2) The Relevant Percentage shall be fixed by reference to the Financial Year concerned as follows:-

<u>Financial Year Ending</u>	<u>Relevant Percentage</u>
On or before 31 March 1999	0%
31 March 2000	10%
31 March 2001	15%
31 March 2002 and thereafter	20%

- (3) The Participating Dividend shall in respect of each Financial Year be paid in cash within 14 days of the earlier of the Annual General Meeting at which the accounts in respect of the relevant Financial Year are approved or on the date six months after the end of the relevant Financial Year.
- (4) The Participating Dividend shall accrue on a daily basis and shall be pro rated in respect of any period of less than a Financial Year during which the B Ordinary Shares are in issue and shall be apportioned among the holders of the B Ordinary Shares pro rata to the number of B Ordinary Shares held by them respectively.
- (5) The Participating Dividend shall ipso facto and without any resolution of the Directors or of the Company in general meeting (and notwithstanding anything contained in Regulations 102 to 108 (inclusive) of Table A) accrue from day to day and on the due date for payment become a debt due from and immediately payable by the Company to holders of the B Ordinary Shares.

(6) In the event that whether by reason of any principle of law or otherwise the Company is unable to pay in full on any due date for payment under this Article 8(B) (each of which dates is in this paragraph referred to as a "Dividend Date"), any instalment of Participating Dividend to any of the holders of the B Ordinary Shares which would otherwise be required to be paid pursuant to this Article 8(B) on that Dividend Date (in this paragraph any such dividend being hereinafter called the "Relevant Dividend") then the following provisions shall apply:-

(a) on the due Dividend Date the Company shall pay to such holders on account of the Relevant Dividend the maximum sum (if any) which can then consistently with any such principle of law, be properly paid by the Company;

(b) on the last business day in each calendar month after the due Dividend Date the Company shall pay to such holders on account of the balance of the Relevant Dividend for the time being remaining outstanding (together with accrued interest), and until the Relevant Dividend shall have been paid in full, the maximum sum (if any) which on each such date respectively can, consistently with any such principle of law, be properly paid by the Company;

(c) subject only as aforesaid every sum which shall become payable by the Company on any date in accordance with the foregoing provisions of this paragraph shall on that date ipso facto and without any resolution of the Directors or of the Company in general meeting (and notwithstanding anything contained in Regulations 102 to 108 (inclusive) of Table A) become a debt due from and immediately payable by the Company to the holders of the B Ordinary Shares

(7) Any arrears of Participating Dividend shall carry interest at the Interest Rate from each Dividend Date until payment in full.

(8) The Company shall procure that the profits of any subsidiary for the time being available for distribution shall be paid to it by way of dividend if, and to the extent that, but for such payment, the Company would not itself otherwise have sufficient profits available for distribution to pay in full the Participating Dividend.

(C) Income: Ordinary Dividend

Subject to the redemption in full of the Preference Shares, the terms of Clause 11 and paragraph 2.19 of Schedule 3 of the Investment Agreement and subject to the payment of the Preference Dividend and the Participating Dividend and any arrears thereof, the balance of any profits resolved to be distributed in any Financial Year shall be distributed amongst the holders of the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares for which purpose the same constitute one class of shares.

(D) Capital: General

In the event of a winding up of the Company or other return of capital the assets of the Company remaining after payment of its debts and liabilities (exclusive of any debts which have become due in accordance with Articles 8(A), (B) and (C) (inclusive) and of the costs charges and expenses of such winding up) shall be applied in the following manner and order of priority:-

- (1) Firstly, in paying to the holders of the Preference Shares (in proportion to the numbers of Preference Shares held by them) all unpaid arrears and accruals of any Preference Dividend (together with interest thereon if any) such arrears and accruals to be calculated down to and including the date of the repayment to be payable irrespective of what profits (and of whether any profits) have been made or earned by the Company and irrespective of whether or not such unpaid arrears and accruals have become due and payable in accordance with any of the provisions of Articles 8(A), (B) or (C);

- (2) Secondly, in paying to the holders of the Preference Shares (in proportion to the numbers of Preference Shares held by them) an amount equal to the redemption value in respect of those Preference Shares;
- (3) Thirdly, in paying to the holders of the B Ordinary Shares (in proportion to the numbers of B Ordinary Shares held by them) all unpaid arrears and accruals of any Participating Dividend such arrears and accruals to be calculated down to and including the date of repayment;
- (4) Fourthly, in paying to the holders of the B Ordinary Shares (in proportion to the numbers of B Ordinary Shares held by them) an amount equal to the subscription price (inclusive of any premium) paid for such shares;
- (5) Fifthly, in paying to the holders of the A Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares treated for this purpose as a single class (in proportion to the numbers of such shares held by them and irrespective of differing nominal value) the subscription price (inclusive of any premium) respectively paid up or credited as paid upon such shares;
- (6) Sixthly, in paying to the holders of the Deferred Shares the sum of 0.1p per share; and
- (7) Lastly, in distributing the balance amongst the holders of the Ordinary Shares treated as a single class and:-
 - (a) as if all the A Ordinary Shares the B Ordinary Shares, C Ordinary Shares and D Ordinary Shares had been converted into A Ordinary Shares and Deferred Shares pursuant to Article 8(E) (taking as the Ordinary Share Value the balance per Ordinary Share so distributable); and
 - (b) as if the A Ordinary Shares that would have been issued on such conversion and the A Ordinary Shares in issue actually were all shares of the same class.

(E) Ratchet: Conversion of B Ordinary Shares and C Ordinary Shares

- (1) In the event of a Sale or Listing taking place (but conditionally upon such Sale taking place or on such Listing being obtained), subject to the following terms and conditions of this Article, the B Ordinary Shares and the C Ordinary Shares (the "Conversion Shares") shall be converted into such number of fully paid A Ordinary Shares and such number of fully paid Deferred Shares (if any) as determined in accordance with this Article 8(E) and each D Ordinary Share shall convert into a single A Ordinary Share.
- (2) The Directors shall not earlier than 28 days before and not later than 14 days prior to the proposed date for the Sale or Listing:-
 - (a) estimate (such estimate to be approved by the Investor Director) the date on which the Sale or Listing is to take place ("the Anticipated Conversion Date");
 - (b) request written confirmation (to be given within 5 business days of such request) from the holders of the majority of the C Ordinary Shares and the holders of the majority of the B Ordinary Shares as to whether in their opinion any adjustments to the provisions of paragraphs (6) and (7) of this Article 8(E) are required pursuant to the provisions of paragraph (4) of this Article 8(E);
 - (c) procure that the calculations hereinafter set out are made (which shall include estimating the Ordinary Share Value); and
 - (d) send to the holders of the Conversion Shares the results of such calculation.
- (3) The holders of the Conversion Shares shall use all reasonable endeavours to reach agreement within 5 business days of the receipt of such notification as to the accuracy of such

calculations and/or make such amendments as the holders of the majority of the C Ordinary Shares (on the one hand) and the holders of the majority of the B Ordinary Shares (on the other) may agree and within such period to record that agreement in a certificate signed by or on behalf of the holders of the majority of the C Ordinary Shares and the holders of the majority of the B Ordinary Shares (such certificate to be final and binding on the holders of the Conversion Shares) and if such agreement is not reached the matter shall forthwith be referred by the Directors to a reputable London-based firm of independent chartered accountants either agreed between the holders of a majority of the C Ordinary Shares and the holders of a majority of the B Ordinary Shares or appointed by the President for the time being of the Institute of Chartered Accountants of England or Wales or his nominee) who shall act as independent experts and not as arbitrators and whose decision (having particular regard to the overriding general principles set out in paragraph 4 of this Article) as to the operation and/or application of such provisions or the calculation of the Ordinary Share Value shall be final and binding on all holders of Conversion Shares and whose costs shall be borne by the Company and the relevant shareholder(s) in such proportions as the independent firm of chartered accountants may determine.

(4) Overriding General Principles

The overriding general principles specified in this paragraph (E)(4) shall apply and shall be given effect to (so far as is possible) on the conversion of any of the Conversion Shares pursuant to this Article 8(E):

- (a) The holders of the B Ordinary Shares ("Investor") and the holders of the C Ordinary Shares ("Directors") have agreed that if the Investor achieves on a Sale or Listing on or before 7 October 2003 an internal rate of return (IRR) in excess of 35% p.a. compound then the amount of such excess shall be shared between the Investor and the Directors with the Directors' share (K_D) being equal to 10/45 of the

amount of such excess return (K_I).

- (b) The IRR is to accrue on a daily basis, and in calculating IRR credit is to be given for all income and capital receipts earned on the investment at the appropriate interest rate (i.e. 35% p.a. compound) from the date of receipt.
- (c) The excess return to Investors (K_I) is the amount received by the Investor (or the initial issue price of its A Ordinary Shares if there is a Listing) on a Sale or Listing (calculated on the premise that each of the issued B Ordinary Shares and C Ordinary Shares was an A Ordinary Share) in excess of the amount needed to give the Investor the 35% p.a. compound return on their initial investment of £3,600,000 in the Company pursuant to the Investment Agreement after taking into account all monies, whether income (dividends, interest etc) or capital (redemption of Preference Shares, repayment of Subordinated Loanstock, sale of ordinary shares) received.
- (d) On conversion pursuant to this Article 8(E), the Directors are to receive a number of extra A Ordinary Shares (S_{DX}) on a Sale or Listing equal in value to their share (K_D) of the excess return to the Investor (K_I), provided that this number of shares cannot be less than 0 nor more than 10% of the total number of A Ordinary Shares in issue after conversion (S_T).
- (e) The sharing of the excess return will be given effect to by way of the conversion of C Ordinary Shares and B Ordinary Shares into A Ordinary Shares according to a formula reflecting these overriding general principles.

(5) Adjustments

If prior to conversion of the Conversion Shares pursuant to this Article 8(E), the Company shall issue any further A Ordinary Shares, B Ordinary Shares or C Ordinary Shares or allot any fully paid shares by way of capitalisation of profits or reserves, or effect any sub-division or consolidation of its ordinary share capital or otherwise adjust or amend its issued share capital, the number and/or nominal value of the A Ordinary Shares to be issued on conversion may require to be increased or, as the case may be, reduced. Alterations may also be required if all or part of the Subordinated Loanstock and/or Preference Shares are to remain in issue after a Sale or Listing or if there are other changes to the share structure or rights attaching to any class of shares in the Company.

If the circumstances of the Company at the Anticipated Conversion Date are such that the overriding general principles set out in paragraph (4) of this Article 8(E) cannot be given effect to by the computational provisions of this Article 8(E), then the independent firm of chartered accountants appointed pursuant to paragraph (3) of this Article 8(E) may make such alterations to those operative provisions and/or the formulae set out in this Article 8(E) to give effect so far as possible (in their absolute discretion) to these overriding general principles.

(6) Definitions

In the formulae in paragraph (7) below of this Article 8(E) the following symbols shall have the following meanings

I = £3,600,000, being the aggregate of the subscription price of all A Ordinary Shares, B Ordinary Shares, Preference Shares and Subordinated Loanstock (the "Investment") acquired by the Investor pursuant to the Investment Agreement.

D_n = the aggregate of all sums expressed in pounds sterling actually received by the Investor from the Company by way of dividend and return of capital in respect of the Investment on day n (being the day which is the n th day after the date of the Investment Agreement counting the date of the Investment Agreement as day one) excluding any amount received on the Sale or Listing in respect of the Investor's A Ordinary Shares or B Ordinary Shares but for the avoidance of doubt including:-

- i) the redemption value of all Preference Shares in issue immediately before the Sale or Listing; and
- ii) the repayment value of all Subordinated Loanstock in issue immediately before the Sale or Listing.

K_I = the Investor's excess return, being the amount (if any) by which the aggregate capital and income receipts of the Investor exceeds the anticipated return being 35% per annum compound IRR on an original total subscription of £3,600,000 as determined by the following calculation:-

$$K_I = \left[\sum_{n=1}^{n=t} D_n (1.35)^{\frac{t-n}{365}} + R_I \right] - \left[1 (1.35)^{\frac{t}{365}} \right]$$

t = the number of days from the date of the Investment Agreement (counting that date as day one) to the Anticipated Conversion Date (being day t).

OSV = Ordinary Share Value as defined in Article 1(B).

S_{IB} = the total number of B Ordinary Shares in issue at the Anticipated Conversion Date.

S_D = the total number of C Ordinary Shares in issue at the Anticipated Conversion Date.

S_I = the aggregate of S_{IB} and the number of A Ordinary Shares held by the Investor at the Anticipated Conversion Date.

R_I = the aggregate value of S_I A Ordinary Shares at the Ordinary Share Value (being an amount equal to S_I multiplied by OSV) (but after deducting any amount payable by the Investor to London Regional Transport pursuant to a Share Clawback Deed made between certain of the Company's shareholders, the Company and London Regional Transport on 7 October 1994).

(7) Calculation

(A) If there is no Sale or Listing until after 7 October 2003, then:

- 1) each B Ordinary Share shall on such Sale or Listing automatically convert into one A Ordinary Share; and
- 2) each C Ordinary Share shall on such Sale or Listing automatically convert into one A Ordinary Share and one Deferred Share.

(B) If a Sale or Listing shall take place on or prior to 7 October 2003 then upon such Sale or Listing taking place the following shall be calculated:-

- a) K_I (the Investor's excess return);
- b) K_D being $10/45 \times K_I$ (the Directors' share of K_I);
- c) S_{DX} being K_D/OSV (the number of A Ordinary Shares which at the Ordinary Share Value have an aggregate value equal to K_D)

and thereafter S_D C Ordinary Shares will therefore convert into:

i) (S_D plus S_{DX}) A Ordinary Shares, and

ii) (S_D less S_{DX}) Deferred Shares; and

and the S_{IB} B Ordinary Shares will therefore convert into:

i) (S_{IB} less S_{DX}) A Ordinary Shares, and

ii) S_{DX} Deferred Shares.

(8) Immediately prior to the Sale or Listing (provided it occurs not more than 5 business days before or after the Anticipated Conversion Date, and, if it is later, the procedures set out in this Article shall be repeated so that the calculations reflect the delay save that the time limits specified in paragraphs (E)(2) and (3) shall be reduced to such period as the Directors believe is reasonable in the circumstances) and conditionally upon such Sale taking place or such Listing being obtained each of Conversion Shares shall be converted into Deferred Shares and A Ordinary Shares (in the appropriate proportions as described above). Shares of each class arising upon conversion shall rank pari passu with the shares of that class then in issue.

(9) Forthwith upon such conversion pursuant to this Article 8(E) (but conditionally and subject as aforesaid) the names of the holders of the Conversion Shares and the D Ordinary Shares shall be entered in the Register of Shareholders of the Company as the holders of the appropriate numbers and classes of shares thereby arising.

(10) (a) Forthwith upon conversion of the Conversion Shares the Company shall give written notice to the holders of the Conversion Shares and the D Ordinary Shares of the numbers of A Ordinary Shares and Deferred Shares of which they are respectively the holders.

- (b) Forthwith upon receipt of such notices, the holders of the Conversion Shares and the D Ordinary Shares shall deliver to the Company at its registered office for the time being the share certificates in respect of their respective holdings of the Conversion Shares and the D Ordinary Shares, and the Company shall, upon receipt of such certificates forthwith issue fresh certificates to such holders in respect of the A Ordinary Shares and Deferred Shares arising from such conversion to which they are respectively entitled. Any fractional entitlement of a Shareholder to A Ordinary Shares arising from the provisions of this Article 8(E) shall be rounded up or down to a whole number in the absolute discretion of the Directors of the Company.
- (11) Any conversion of the Conversion Shares and the D Ordinary Shares shall be without prejudice to the rights of the holders of the Conversion Shares and the D Ordinary Shares to be entitled to claim and pursue any unpaid arrears of dividend which may have become due and payable prior to conversion.
- (12) The Company shall further upon conversion pay to the holders of the B Ordinary Shares a final dividend ("Final Dividend") equal to all accruals and deficiencies of the Participating Dividend attributable to Financial Years ending before the date of conversion whether declared or earned or not and a pro rata amount of the Participating Dividend from the date of the commencement of the current Financial Year of the Company up until and including the date of conversion calculated on the date of conversion on the basis set out in Article 8(B), but on the basis of the net consolidated profit of the Company and its subsidiaries as shown by the latest unaudited consolidated management accounts of the Company for the period from the start of the then current Financial Year adjusted to take account of the matters set out in Article 6(D) above, such Final Dividend to be taken into account in calculating K_1 .

- (13) The Company shall deliver to the holder of the Conversion Shares and D Ordinary Shares or as it may direct a definitive certificate for the appropriate number of fully paid A Ordinary Shares and Deferred Shares arising upon such conversion within 14 days of the date of delivery of the relevant conversion notice.

(F) Redemption: Preference Shares

- (1) The Preference Shares shall be redeemed in two tranches of 33,000 Preference Shares on 7 October 2000 and 7 October 2001 and the balance of 34,000 Preference Shares on 7 October 2002 and may be redeemed at any earlier time as permitted by this Article 8(F) (each redemption date being a "Redemption Date"). If any such Redemption Date is not a business day redemption shall take place on the immediately preceding business day.
- (2) The amount payable on the redemption of each Preference Share shall be an amount per Preference Share equal to the Preference Redemption Sum payable at such Redemption Date calculated in accordance with paragraph (3) of this Article 8(F) together with all arrears of Preference Dividend.
- (3) The Preference Redemption Sum per Preference Share will be calculated by reference to the relevant number of days from 7 October 1994 (irrespective of the actual date of subscription) to the relevant Redemption Date according to the following formula:-

$$\text{Preference Redemption Sum} = (£35 \times (1.08)^{t/365}) - £34$$

where t is the number of days from 7 October 1994 to the relevant Redemption Date (inclusive of both the date of issue and the date of redemption).

(4) Notwithstanding any other provisions of these Articles:-

(a) no redemption of Preference Shares (either on one of the compulsory Redemption Dates specified in paragraph F(1) above or on any other date) shall be made unless either at that time no Subordinated Loanstock remains in issue or simultaneously with the redemption of Preference Shares there is repaid by the Company £34,000 nominal amount of Subordinated Loanstock (together with all arrears thereon) for each 1,000 Preference Shares of £1 each then redeemed; and

(b) subject to the provisions of the Investment Agreement and paragraph (F)(4)(a) above the Company may at any time redeem the whole or any part of the Preference Shares then outstanding (provided that in the event of a voluntary redemption, the Company may redeem only in multiple amounts of 5,000 Preference Shares).

(5) On Listing or on a Sale (but conditionally upon such Listing being obtained or such Sale taking place) the Company shall be obliged to redeem or purchase or procure the purchase thereof for cash at the then redemption value all the Preference Shares then in issue.

(6) Redemption of any Preference Shares pursuant to this Article shall be conducted in the manner specified in Article 8(G).

(7) This paragraph illustrates the intended effects of this Article 8(F):-

Example 1: (assuming no arrears of dividend etc.)

Date of Redemption: sixth anniversary (say, $t = 2,192$)

No. of Preference Shares Redeemed = 33,000

$$(1) \quad (1.08)^{2192/365} = 1.58754$$

(ii) Preference Redemption Sum = $(£35 \times 1.58754) - £34 = £21.5639$

(iii) Total redemption sum = $£21.5639 \times 33,000 = £711,609$

(iv) Simultaneous Repayment of Subordinated Loanstock nominal £1,122,000

Example 2: (assuming no arrears of dividend etc.)

Date of Redemption: eighth anniversary (say, $t = 2,923$)

No. of Preference Shares Redeemed = 34,000

(i) $(1.08)^{2923/365} = 1.8521$

(ii) Preference Redemption Sum = $(£35 \times 1.8521) - £34 = £30.8235$

(iii) Total Redemption Value = $34,000 \times £30.8235 = £1,047,999$

(iv) Simultaneous Repayment of Subordinated Loanstock nominal £1,156,000

(G) Redemption: Provisions applicable to Preference Shares

Any Preference Shares to be redeemed pursuant to this Article 8 ("the Redeemable Shares") shall be redeemed on the relevant date (insofar as the Company shall be able to comply with the provisions of the Act relating to redemption or so soon after the said date as the Company shall be able to comply with the provisions of the Act) upon, and subject to, the following terms and conditions:-

- (1) The Company shall (unless the Investor Director otherwise agrees) give the holder of the Redeemable Shares written notice of redemption not later than fifteen days prior to the date of redemption which notice shall be irrevocable and shall fix the

time and place for such redemption and shall specify the Redeemable Shares to be redeemed, such Redeemable Shares to be redeemed amongst the holders of the Redeemable Shares for the time being in the proportion in which their holding of Redeemable Shares bears to the total number of the relevant class of Redeemable Shares outstanding prior to each such redemption. At the time and place so fixed the registered holders of the Redeemable Shares to be redeemed shall be bound to deliver to the Company the certificates for such Redeemable Shares (or an indemnity in respect thereof reasonably satisfactory to the Company) for cancellation and thereupon the Company shall pay to (or to the order of) such holders all the monies payable in respect of the redemption of such Redeemable Shares and such payment shall be made through a bank if the Company shall think fit. If any certificate so delivered to the Company shall include any Redeemable Shares not redeemed on the occasion for which it is so delivered, the Company shall issue without charge a fresh certificate for such Redeemable Shares;

- (2) There shall be paid on the redemption of each Redeemable Share the redemption value (including accrued interest if any) calculated up to and including the date of redemption. The receipt of the registered holder for the time being of any Redeemable Shares so redeemed or in the case of joint registered holders the receipt of any of them for money payable on redemption thereof shall constitute an absolute discharge to the Company in respect thereof;
- (3) The dividends payable on each Redeemable Share becoming liable to be redeemed under the foregoing provisions shall continue to accrue until the date of actual redemption of such Redeemable Share unless such failure to redeem shall be due to the failure of the holder to deliver up the certificate in respect of such Redeemable Shares or an indemnity in respect thereof in which case accrual shall only take place up to the actual Redemption Date;

- (4) If any holder of Redeemable Shares whose shares are liable to be redeemed under this paragraph shall fail or refuse to deliver up the certificate for his shares the Company may retain the redemption monies until delivery up of the certificate or of any indemnity in respect thereof reasonably satisfactory to the Company and shall within seven days thereafter pay the redemption monies to the shareholders. No holder of Redeemable Shares shall have any claim against the Company in respect of interest on monies retained pursuant to this paragraph.

(H) Investor Director

- (1) The holders of the majority in nominal value of the B Ordinary Shares in issue from time to time shall have the right from time to time to appoint one person only as a Director of the Company and of each of its subsidiaries (hereinafter referred to as an "Investor Director") and to remove from office any person so appointed and to appoint another person in his place (subject to the prior approval of the Directors, not to be unreasonably withheld or delayed).
- (2) On any resolution to remove a Director appointed pursuant to this Article 8(H) or to amend or alter this Article 8(H) or to alter its effect, the B Ordinary Shares shall together carry at least one vote in excess of seventy five per cent of the votes exercisable at the general meeting at which such resolution is to be proposed.
- (3) Any appointment or removal pursuant to Article 8(H)(1) shall be in writing served on the Company and on behalf of the holders of the B Ordinary Shares by the Investor.
- (4) The powers and duties and the remuneration of the Investor Director shall be as set out in the Investment Agreement or otherwise as may from time to time be agreed between the Investor and the Company.

(I) Voting: Preference Shares

- (1) The holders of the Preference Shares shall have the right to receive notice of all General Meetings of the Company but shall have no right to attend or vote thereat either in person or by proxy by virtue or in respect of its holding of Preference Shares, unless at the date convened for the meeting:-
 - (a) at any time after 1 January 1996 any Preference Dividend or any amount due and payable under the Subordinated Loanstock is in arrears for whatever reason; or
 - (b) the Company shall have failed or been unable to redeem all of the Preference Shares due for redemption on 7 October 2001 or 7 October 2002 other than in circumstances where such failure is due to the shareholder's default; or
 - (c) the business of the meeting includes a resolution for the winding up of the Company or a resolution for the reduction of capital of the Company (other than for the purposes of any redemption of the Preference Shares as provided in these Articles) or a resolution varying or abrogating any of the special rights attached to the Preference Shares in which event a right to vote only on such resolution shall be conferred on the Preference Shares.
- (2) Upon the happening of an event specified in paragraph (I)(1) above each holder may serve a notice in writing upon the Company specifying that with effect from the date of such notice such person shall in respect of his holding of Preference Shares be entitled to voting rights as specified in paragraph (I)(3) below.
- (3) Whenever the holders of the Preference Shares are entitled to vote at a general meeting of the Company upon any resolution proposed at such general meeting whether on a show of hands or on a poll the holders thereof who (being an individual) is present in person or by proxy or (if a corporation) by a duly

authorised representative shall have such number of votes in respect of each Preference Share as when multiplied by the number of Preference Shares then in issue would confer on a poll one vote in excess of 75 per cent of the total votes capable of being exercised at such general meeting.

(J) Voting: B Ordinary Shares

(1) A holder of the B Ordinary Shares shall be entitled to receive notice of and to attend and vote at general meetings of the Company and, subject to the provisions of sub-clause (2), upon any resolution proposed at such general meeting on a show of hands and on a poll every holder thereof who (being an individual) is present in person or by proxy or (if a corporation) by a duly authorised representative shall have one vote in respect of each fully paid B Ordinary Share registered in his name.

(2) (a) If:-

(i) the Company has not paid the Participating Dividend within 14 days of a due date for payment (but has sufficient distributable reserves to enable such payment to be made); or

(ii) the Company shall have failed (whether or not it would have been permitted by law or statute or was willing to do otherwise) to have obtained the requisite consent to any matter mentioned in Schedule 3 of the Investment Agreement and the Investor Director acting reasonably believes such breach could prejudice the Investor or the Company to a material extent;

then for so long as the circumstances comprising such event shall subsist, any holder of B Ordinary Shares may serve a notice in writing upon the Company specifying that with effect from the date of such notice and for so long as

aforesaid, the holders of the B Ordinary Shareholders as a class shall at any general meeting called pursuant to the provisions of Article 8(J)(3) have such number of votes in respect of each B Ordinary Share as when multiplied by the number of B Ordinary Shares then in issue would confer on a poll one vote in excess of 75 per cent of the total votes capable of being exercised at such general meeting provided that such votes shall be used exclusively for the purpose of procuring compliance by the Company with its obligations under this paragraph (J)(2)(a).

- (b) If the business of a general meeting includes a resolution for winding up the Company or affecting the rights or privileges attached to the B Ordinary Shares, any holder of B Ordinary Shares may serve a notice in writing upon the Company specifying that with effect from the date of such notice on that resolution only, the holders of the B Ordinary Shareholders as a class shall have such number of votes in respect of each B Ordinary Share as when multiplied by the number of B Ordinary Shares then in issue would confer on a poll one vote in excess of 25 per cent of the total votes capable of being exercised at such general meeting.
- (3) In the event that any one or more of the circumstances or events giving rise to the application of paragraphs (J)(2)(a) or (J)(2)(b) of sub-clause (J)(2) above shall arise or occur (and for so long as such circumstances or events shall subsist) the Directors shall, upon receipt of a written requisition to that effect signed by any member holding B Ordinary Shares forthwith convene an extraordinary general meeting for a date not later than 28 days after receipt of the requisition to consider such Resolution(s) as shall be specified in such requisition and in default, such member shall be entitled to convene such Meeting.

(K) Voting: A Ordinary Shares, C Ordinary Shares and D Ordinary Shares

On a show of hands at a general meeting of the Company every A Ordinary shareholder, C Ordinary Shareholder and D Ordinary Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative shall have one vote and on a poll every such shareholder shall have one vote for every Ordinary Share of which he is the holder.

(L) Rights: Deferred Shares

No rights shall attach to the Deferred Shares other than the right to return of capital set out in Article 8(D).

VARIATION OF RIGHTS

9. (A) 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 with the consent in writing of the holders of more than three-fourths of the issued shares of that class, or with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of that class, but not otherwise. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two or more persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class unless all the shares of any class are registered in the name of a single corporate shareholder in which case the quorum shall be one person being the duly authorised representative of such shareholder (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are (or that member who is) present shall be a quorum) and that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively, and that any holder of shares of the class present in

person or by a representative shall be entitled to demand a poll.

- (B) (1) The Company shall (subject as therein provided) comply with the provisions of Schedule 3 of the Investment Agreement which provisions may not be varied or abrogated without such consent or sanction of the holders of the B Ordinary Shares as is required for a variation of their rights.
- (2) Save with such consent or sanction of the holders of the B Ordinary Shares as is required for a variation of their rights:-
 - (a) no alteration shall be made to any of the provisions of the Memorandum or Articles of Association of the Company;
 - (b) no notice shall be given of any resolution to wind up the Company;
 - (c) no share in the capital of the Company shall be sub-divided or consolidated;
 - (d) the Company shall not purchase any of its Ordinary Shares.

LIEN

- 10. (A) The lien conferred by Regulation 8 of Table A shall attach also to fully paid up shares and to all shares registered in the name of any person indebted or under liability to the Company whether he shall be the sole registered holder thereof or shall be one of two or more joint holders and shall be a first and paramount lien for all monies and liabilities presently due and payable and in the case of monies payable in respect of any share whether or not presently due and payable.
- (B) The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of Regulation 18 of the words "and all expenses that may have been incurred by the Company by reason of such non- payment".

TRANSFER OF SHARES

11. (A) The Directors shall refuse to register the transfer of any shares in the capital of the Company:-
- (1) being a share which is not fully paid;
 - (2) on which the Company has a lien;
 - (3) to a person who is (or whom the Directors reasonably believe to be) under 18 years of age or a person who does not have (or whom the Directors reasonably believe does not have) the formal legal capacity (which expression excludes for the avoidance of doubt fetters upon the exercise of powers) freely to dispose of any shares without hindrance or court order; or
 - (4) not being a transfer made in accordance with or as permitted by these Articles.
- (B) The transferor shall remain the holder of the shares concerned until the name of the transferee is entered into the Register of members in respect thereof.
12. (A) For the purpose of this Article the following shall be deemed (but without limitation) to be a transfer by a member of shares in the Company:-
- (1) Any direction (by way of renunciation or otherwise) by a member entitled to an allotment, issue or transfer of shares that a share be allotted or issued or transferred to some person other than himself; and
 - (2) Any sale or any other disposition of any legal or equitable interest in a share and whether or not for consideration or otherwise and whether or not effected by an instrument in writing but excluding the creation (but not enforcement) of any charge by a member outstanding in favour of his bankers.

For the purposes of determining a member's holding of shares in relation to Article 12 and Article 13, any shares unconditionally allocated to that member by virtue of his participation in any ESOP shall be deemed to be held by him.

- (B) Except as hereinafter provided no share in the Company or any beneficial interest therein shall be transferred unless and until the rights of pre-emption hereinafter conferred shall have been exhausted.
- (C) (1) The Investor may transfer all or any of its shares in the Company or any beneficial interest therein to any member of the Investor Group provided that if any member of the Investor Group ceases to be such a member then it shall be required to transfer to another member of the Investor Group all shares and beneficial interests in shares in the Company then held by it.
- (2) Subject as provided in this paragraph (C)(2) any member ("the Transferor") who is an individual and who holds C Ordinary Shares or D Ordinary Shares may transfer all or any of those C Ordinary Shares or D Ordinary Shares to his or her spouse or adult children or adult step children or adult grandchildren or step grandchildren or to the trustee or trustees of a family trust set up primarily for the benefit of one or more of the Transferor his or her spouse children or step children or grandchildren and of which the said member is the settlor or to a bare nominee and any member being a trustee may transfer any shares either to any beneficiary of the trust of which it is a trustee or to any new additional or replacement trustees of the same trusts ("the Transferee"), provided that any shares so transferred shall be deemed to belong to the Transferor for the purposes of the pre-emption provisions contained in these Articles and provided further that the Transferee shall (prior to any such transfer being registered or at any time thereafter if so requested) give an undertaking to the Company in a form approved by the Investor (such approval not to be unreasonably withheld) that such person shall as and when required give a Transfer Notice in respect of such shares in accordance with

Articles 13(H) and (L) below and Provided further that a Transferee acquiring shares hereunder shall not have the like right under this Article 12(C)(2) unless the transfer is to the person from whom he or she or they took the shares in the first instance or to whom that person might have transferred shares under this paragraph (C)(2) or is a transfer by the trustees of any such trust as aforesaid to new trustees of the same trust on a change of trustees (provided that no change in beneficial ownership is thereby effected) or is a transfer from one nominee to another (provided as aforesaid).

- (3) Subject to Article 12(D), any member holding less than 1% of the issued ordinary share capital of the Company may transfer all or any of his shares to any other member holding shares of the same class or to the trustee of any ESOP or to any Employee designated by the trustee of such ESOP provided that that other such member (not being the trustee of any ESOP) does not hold and shall not thereby increase his holding to more than 1% of the issued ordinary share capital of the Company.
- (4) Subject to Article 12(D), any ESOP may (subject to the rules of the scheme concerned) transfer all or any of the shares held by it to any eligible beneficiary provided that such eligible beneficiary does not hold and shall not thereby increase his holding to more than 1% of the issued ordinary share capital.
- (5) The former trustees of any trust (including in particular but without limitation of an ESOP) may transfer the shares held by them as such to new trustees of the same trust on a change of trustees (provided that no change in beneficial ownership is thereby effected).
- (6) Subject to Article 12(D), any member may transfer all or any of his shares or any beneficial interest therein to any other person with the prior written consent of the Investor Director and the Directors.

(7) Any B Ordinary Shares (and/or any interest therein) held by or on behalf of a fund:-

(a) may be transferred to (or to a nominee or trustee or custodian for) the holders of units in, or partners in, or members of or investors in (as the case may be) such fund and any B Ordinary Shares (and/or any interest therein) held by a nominee or trustee or custodian for a fund may be transferred to that fund or to another nominee or trustee or custodian for such fund;

(b) may be transferred to a nominee or trustee or custodian for such fund and any B Ordinary Share (and/or any interest therein) held by a nominee or trustee or custodian for a fund may be transferred to that fund or to another nominee or trustee or custodian for such fund; and

(c) may be transferred to (or to a nominee or trustee or custodian for) another fund which is managed or advised by the same manager or adviser as the transferor (or as the fund on behalf of whom any such share or interest is held by the transferor as nominee or trustees or custodian) or by a group undertaking of such manager or adviser.

(D) No individual member holding less than 1% of the issued ordinary share capital shall prior to conversion of the C Ordinary Shares pursuant to Article 8(E)(7) transfer all or any of his A Ordinary Shares other than pursuant to the EBT Rules for the Internal Market or to the Trustee of the EBT.

13. (A) Subject as permitted by Article 12 any member who desires to sell or transfer shares or any beneficial interest therein (hereinafter called "the Vendor") shall give notice in writing (hereinafter called "the Transfer Notice") to the Company of his desire specifying:-

(1) the shares which he desires to sell or transfer ("the Sale Shares");

- (2) the name of any third party to whom he proposes to sell or transfer the Sale Shares (if any);
- (3) the price per share at which he desires to sell or transfer the Sale Shares; and
- (4) whether or not it is conditional upon all and not part only of the Sale Shares being sold and in the absence of such stipulation it shall be deemed not to be so conditional.

The Investor Director shall forthwith on receipt by the Company of a Transfer Notice relating to any C Ordinary Shares be sent a copy of that notice.

- (B) The Transfer Notice shall constitute the Company the agent of the Vendor for the sale of the Sale Shares specified therein in one or more lots, at the discretion of the Directors, at such price per share as may be specified in the Transfer Notice or, if no price per share is specified as the fair value as determined by the Auditors pursuant to Article 13(1) (hereinafter referred to as "the Transfer Price"). A Transfer Notice once given shall not be capable of withdrawal without the consent of the Directors.
- (C) (1) Subject to paragraph (C)(2) below the Company shall forthwith upon receipt of a Transfer Notice or, where an Auditors' valuation is required, upon receipt of such valuation, give notice in writing to the members of the Company as specified below (other than the Vendor or any other member who has served or who is deemed to have served a Transfer Notice which is still outstanding) (a "Relevant member") informing them that the Sale Shares are available and of the Transfer Price and shall invite him to state in writing within forty-five days from the date of the said notice (which date shall be specified therein) whether he is willing to purchase any and, if so, how many of the Sale Shares. All shares specified in any Transfer Notice shall be offered in the following order:-

a) In the case of A Ordinary Shares:-

- i) firstly to the holders of C Ordinary Shares;
- ii) secondly to the holders of D Ordinary Shares;
- iii) thirdly to the other holders of the A Ordinary Shares;
- iv) fourthly to the holders of the B Ordinary Shares.

b) in the case of B Ordinary Shares:-

- i) firstly to other holders of B Ordinary Shares;
- ii) secondly to the Company; and
- iii) thirdly to holders of A Ordinary Shares, C Ordinary Shares and D Ordinary Shares (treated for this purpose as being one class);

c) in the case of C Ordinary Shares:-

- i) firstly to the other holders of C Ordinary Shares;
- ii) secondly to the holders of B Ordinary Shares,
- iii) thirdly to the holders of D Ordinary Shares; and
- iv) lastly to the holders of A Ordinary Shares;

d) in the case of D Ordinary Shares:-

- i) firstly to the other holders of D Ordinary Shares;
- ii) secondly to the holders of C Ordinary Shares;
- iii) thirdly to the holders of B Ordinary Shares; and

- iv) lastly to the holders of A Ordinary Shares.

The Directors may offer the Sale Shares concurrently or sequentially to the various groups listed above (each a "Ranking Group"). All the Sale Shares applied for by the first Ranking Group shall be allocated to the applicants thereof, with any balance being allocated to applicants from the second Ranking Group and so on. As between members of a Ranking Group the Sale Shares shall be allocated in accordance with Article 13(C)(3) below.

- (2) The Directors may (subject to the prior approval in writing of the Investor Director) firstly offer all or any of the Sale Shares to the Company or to any ESOP or to any employee of the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company, provided that such offer shall not be capable of acceptance more than thirty days after receipt by the Company of the Transfer Notice or, if relevant, the Auditors valuation, and following such 30 day period any remaining Sale Shares not so accepted shall be forthwith offered pursuant to paragraph (C)(1) above. The Directors may also offer all or any of the Sale Shares not taken up pursuant to the pre-emption offers made under paragraph (C)(1) to the Company or to any ESOP or to such other persons as the Directors in their discretion may determine (subject to, if such persons are not persons to whom the shares might have been transferred under paragraph (C)(1) above or Article 12, the prior approval in writing of the Investor Director such approval not to be unreasonably withheld or delayed).
- (3) After the expiry of the said period of forty-five days (or in the case of sequential offers to different Ranking Groups, such periods of forty-five days each (or such lesser period being not less than 14 days each as the Board may agree)) or sooner if all the Sale Shares offered shall have been accepted in the manner provided in paragraphs (C)(1) and (2) above the Directors shall allocate the Sale Shares in the following manner:-

- (a) if the total number of shares applied for is equal to or less than the number of the Sale Shares, the Company shall allocate the number applied for in accordance with the applications under paragraph (2); or
- (b) if the total number of shares applied for under the pre-emption provisions of paragraph (C)(1) above is more than the number of Sale Shares offered under those provisions, each Ranking Group shall be allocated its due proportion and as between members of a Ranking Group each member shall be allocated his proportionate entitlement (being in proportion as nearly as may be to the number of shares in the Ranking Group held by that member) or such lesser number of Sale Shares for which he may have applied under the pre-emption provisions of paragraph (C)(1) above and otherwise the Company shall allocate the Sale Shares in accordance with the applications;

and in either case the Company shall forthwith give notice of each such allocation (hereinafter called "an Allocation Notice") to the Vendor and each of the persons to whom Sale Shares have been allocated (hereinafter called "a member Applicant") and shall specify in the Allocation Notice the place and time (being not later than seven days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.

- (D) Subject to (E) below, upon such allocations being made as aforesaid, the Vendor shall be bound, on payment of the Transfer Price for each of the Sale Shares to the Vendor or (in the case of a deemed Transfer Notice) in accordance with paragraph (H) below, to transfer the shares comprised in the Allocation Notice to the member Applicant(s) named therein at the date, time and place therein specified. If he makes any default in so doing the Chairman for the time being of the Company or failing him one of the Directors or some other person duly nominated by a resolution of the Board of Directors for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Vendor with full power to execute complete and deliver in the name

and on behalf of the Vendor a transfer of the relevant Sale Shares to the member Applicant(s) and the Directors may receive and give a good discharge for the purchase money on behalf of the Vendor and (subject to the transfer being duly stamped) enter the name of the member Applicant(s) in the register of members as the holder or holders by transfer of the shares so purchased by him or them. The Directors shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money in trust for the Vendor until he shall deliver up his certificate or certificates for the relevant shares to the Company (or an indemnity in respect thereof reasonably satisfactory to the Company) when he shall thereupon be paid the purchase money. The Company shall have no liability to pay or account for any interest on any such monies.

- (E) If the Vendor shall have included in the Transfer Notice a provision that unless all the shares comprised therein are sold none shall be sold then if the total number of shares applied for is less than the number of Sale Shares the Allocation Notice shall refer to such provision and shall contain (instead of the details for Completion of the sale of the Sale Shares) a further invitation open for 14 days to those persons to whom Sale Shares have been allocated and those persons specified in the second sentence of paragraph (C)(2) above to apply for all or some of the outstanding Sale Shares. If those persons shall within the said fourteen days apply for all the outstanding Sale Shares, the Company shall serve a further Allocation Notice on the Vendor and such persons, giving the details set out in paragraph (C)(3) above and the provisions of paragraph (D) shall apply in like manner to such Allocation Notice. In the case of competition for such outstanding Sale Shares, such persons shall be allocated Sale Shares in accordance with paragraph (C)(3). If all of the Sale Shares shall not be applied for within the said fourteen days, the provisions of paragraph (F) shall apply.
- (F) In the event of any of the Sale Shares not being sold under the preceding paragraphs of this Article (or all the Sale Shares not being sold if the Company shall have failed to find purchasers under paragraph (E)) the Vendor may, subject to the provisions of the Investment Agreement, at any time within three calendar months after

receiving confirmation from the Company that the foregoing provisions herein contained have been exhausted (such confirmation to be given by the Company within fourteen days thereof), transfer any Sale Share not sold to any person or persons at any price being not less than the Transfer Price save that such person or persons must have been previously approved by the Directors of the Company such approval not to be unreasonably withheld or delayed in the case of a transferee named in the Transfer Notice Provided that if the Vendor stipulated in the Transfer Notice that unless all the shares comprised therein were sold pursuant to this Article none should be sold, the Vendor shall not be entitled, save with the written consent of all the other members of the Company, to sell hereunder only some of the Sale Shares comprised in the Transfer Notice to such person or persons, and provided also that any such sale shall be a bona fide sale and the Directors may require to be reasonably satisfied in such manner as they may require that the Sale Shares are being sold in pursuance of a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument of transfer.

- (G) (1) If at any time a proposed transfer of shares would if completed enable any person or persons who were not members of the Company within fourteen days from the date of adoption of these Articles "Founder Members" to obtain control of the Company either alone or acting in concert (as such expression is defined in the City Code of Takeovers and Mergers from time to time) with any other person(s) who are not Founder Members, the Vendor shall procure, and the Directors shall not sanction the making and registration of such transfer unless the Vendor has procured, that an Appropriate Offer shall be made to all of the other members of the Company.
- (2) For the purposes of this paragraph (G), "control" shall mean the right by virtue of holding shares in the Company or by virtue of any contract or arrangement with any holder of shares in the Company to exercise more than 50% of the votes capable of being cast at any general meeting of the Company or voting rights

which would result in the appointment of a majority of the members of the Board of Directors of the Company, and "Appropriate Offer" shall mean (a) in the case of the A Ordinary Shares the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares an offer in cash at the higher of (i) fair value determined by the Auditors pursuant to paragraph (I) below; and (ii) the highest price per share paid by any offeror (excluding stamp duty, stamp duty reserve tax and commission) and/or persons acting in concert with the offeror (as such expression is defined in the City Code on Takeovers and Mergers from time to time) for the A Ordinary Shares the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares in the Company (as the case may be) within the period of three years prior to and on the proposed date of completion of such transfer of shares and (b) in the case of the Preference Shares an offer in cash of not less than the redemption value per share; together with in each of the foregoing cases (save to the extent that such fair value or highest price already reflects the amount of such dividends or interest) all dividends in arrears or accrued on (and, if applicable interest thereon) the B Ordinary Shares and the Preference Shares plus in each such case (save to the extent that such fair value or highest price already reflects the amount of such dividends or interest) an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the relevant 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 the relevant shares. In the event of disagreement, the calculation of the relevant price for the Appropriate Offer shall be referred to an umpire (acting as expert and not as arbitrator) nominated by the parties concerned (or appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales or his nominee) whose decision shall be final and binding.

- (H) Upon any Director or any holder of D Ordinary Shares (other than an Exempt Leaver) ceasing to be an executive director or employee of the Company or any subsidiary or holding company or any subsidiary of

such holding company and thereafter being neither an executive director nor an employee of any of them, then that Director or holder of D Ordinary Shares being a member and/or any spouse adult children, step children, or grand children or step grand children or any other person to whom he shall have transferred any such shares pursuant to Article 12(C) and/or any trustees who hold any such shares on trust for the benefit of the aforementioned persons shall unless the Directors shall otherwise determine (with the consent of the Investor Director) and if the Directors shall otherwise determine upon such terms as they shall determine, be automatically deemed to have given a Transfer Notice in accordance with paragraph (A) above in respect of all Ordinary Shares then held by such member and the Directors may then invoke the procedures set out in paragraphs (B) and (C) above or alternatively direct that the relevant Ordinary Shares shall be transferred to such person or persons as the Directors (with the approval of the Investor Director) may direct whereupon the provisions of paragraph (D) above shall apply and so that in any such case the Transfer Price shall be:-

(1) in the case of a Director who is a Bad Leaver (as defined in this Article) a sum per share equal to the lesser of the consideration paid per share by that member in respect of the acquisition of such shares ("the Acquisition Price") and the fair value determined pursuant to paragraph (I);

(2) in the case of a Director who is a Voluntary Leaver (as defined in this Article) :

an amount per share determined as follows :

Date

Transfer Price

1. Before 7 October 1997

the Acquisition
Price

- | | |
|--|---|
| 2. On or after 7 October 1997
but before 7 October 1998 | an amount equal to
60% of the fair value
determined pursuant
to paragraph (I)
below |
| 3. On or after 7 October 1998
but before 7 October 1999 | an amount equal to
70% of the fair value
determined pursuant
to paragraph (I)
below |
| 4. On or after 7 October 1999 | an amount equal to
80% of the fair value
determined pursuant
to paragraph (I)
below |

Save that the Transfer Price shall be the full amount of the fair value determined pursuant to paragraph (I) below if on the date the Transfer Notice is deemed to have been served, all Subordinated Loanstock issued by the Company has been repaid in full and all Preference Shares issued by the Company have been redeemed, and no amounts remain outstanding in respect thereof;

- (2) in the case of a Director who is neither a Voluntary Leaver nor a Bad Leaver, the Transfer Price shall be determined by the Directors (with the approval of the Investor Director, not to be unreasonably withheld or delayed) at an amount per share of not more than the amount per share payable to a Voluntary Leaver under paragraph (2) above (determined pursuant to paragraph (I) below) and not less than the Acquisition Price.
- (4) in the case of any holder of D Ordinary Shares (who is not a Director or former Director), the fair value determined pursuant to paragraph (I) below.

In this Article 13(H) :

- (1) "Exempt Leaver" means any Director or former Director who ceases to be an employee of the Company and/or any of its subsidiaries on retirement he shall have attained the age of 60 years or as a result of his death or earlier retirement through ill-health or permanent incapacity;
- (2) "Bad Leaver" means any Director or former Director who ceases to be an employee of the Company and/or any of its subsidiaries as a result of his:-
 - (i) being adjudicated bankrupt;
 - (ii) being disqualified by Court Order from holding office as a director;
 - (iii) being removed from office after committing any flagrant or intentional breach of any of the provisions of his service agreement or any directions of the Board;
 - (iv) being convicted of any criminal offence involving dishonesty or having committed any act of fraud or dishonesty in relation to the Company's business (including, without limitation, theft or attempted theft of property, acceptance of bribes or failure to declare personal gifts);
- 3) "Voluntary Leaver" means any Director or former Director (not being an Exempt Leaver or a Bad Leaver) whose employment with the Company is terminated due to:-
 - 1) redundancy within the meaning of Section 87 of the Employment (Consolidation) Act 1978; or

- 2) his voluntary resignation other than in circumstances where the resignation follows within 3 months of concern expressed to the leaver in writing by the Company as to his competence, commitment, job performance or compatibility with other directors or employees of the Company or of any subsidiary.

The member or members who purchase Ordinary Shares offered pursuant to a deemed Transfer Notice under this paragraph from a Director or former Director (or persons to whom he has transferred shares) shall pay the Transfer Price for each such share as follows :-

- (a) an amount not exceeding the Acquisition Price shall be paid to the Vendor; and
- (b) the balance (if any) shall be paid to the Company for its general purposes except that the amount of such balance shall become a debt due to the Vendor (free of all interest) payable (subject to adjustment as provided in this paragraph) once all Subordinated Loanstock issued by the Company has been repaid and all Preference Shares have been redeemed and no amounts remain outstanding thereon; at such time (if the Investor Director so requires), the fair value of the Sale Shares (calculated in accordance with paragraph (I) below) shall be recalculated on the basis of the circumstances then existing, and the Transfer Price for each Sale Share shall be recalculated on the basis set out above substituting that new fair value, and (if the Transfer Price has fallen) the balance due to the Vendor shall be reduced accordingly (but shall not in any event be reduced to less than nil); and such amount (adjusted as required in this paragraph) shall be paid to the Vendor. The Company shall have no liability to pay or account for any interest on any such monies.

- (I) In the event that the Auditors for the time being of the Company are required to determine the price per share at which shares are to be transferred pursuant to these Articles such price shall be the amount the Auditors shall on the application of the Directors report in writing as the price which in their opinion represents a fair value for such Sale Shares as between a willing vendor and a willing purchaser on the basis that the holders of all the issued share capital of the Company are willing sellers and there is a willing purchaser for cash for all the said issued share capital and, in making such determination, the Auditors shall not take any account of whether the Sale Shares comprise a majority or a minority interest in the Company but shall assume that the entire issued share capital of the Company was being sold and shall take account the provisions of these Articles in relation thereto. In so reporting, the Auditors shall act as experts and not as arbitrators and their decision shall be final and binding on the parties.
- (J) For the purpose of ensuring that a transfer of shares is duly authorised hereunder or that no circumstances have arisen whereby a Transfer Notice is required to be given hereunder the Directors may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they deem relevant to such purpose including (but not limited to) the names and addresses and interests of all persons respectively having interests in the shares from time to time registered in the member's name. Failing such information or evidence being furnished to the satisfaction of the Directors within 28 days after request the Directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of shares concerned. If such information or evidence discloses that a Transfer Notice ought to have been given in respect of any shares the Directors may by notice in writing require that a Transfer Notice be given in respect of the shares concerned.

- (K) Any transfer or purported transfer of any share made otherwise than in accordance with this Article shall be void and of no effect and in any case where, pursuant to this Article, a Transfer Notice shall be deemed to be given in respect of any share(s):-
- (1) such Transfer Notice shall be deemed to relate to all the shares held by the member of the class to which it is pursuant to the provisions of this Article 13 deemed to relate and (unless Article 13(H)2 shall apply) to contain a proviso requiring all the shares comprised therein to be sold or none be sold.
 - (2) the holder or holders of the shares subject to such deemed Transfer Notice shall not be entitled to attend or vote at any general meeting for so long as such deemed Transfer Notice is outstanding.
- (L) In the event that a member who is a former or continuing Director or employee of the Company enters into competition with the Company or any of its subsidiaries (and for this purpose whether or not competition exists shall be determined by the Directors) then at any time within 2 years of such member having ceased to be a director or employee of the Company upon the Directors resolving that such Director or employee has entered into competition with the Company or its subsidiaries then that Director or employee being a member of the Company and/or any spouse, adult children, step children, grand children or step grand children and/or any other person to whom he shall have transferred shares in the capital of the Company pursuant to Article 12(C), or any trustees who hold any such shares for the benefit of the aforementioned persons shall be automatically deemed to have given a Transfer Notice in accordance with Article 13(A) above in respect of all the Ordinary Shares held by that party and the Transfer Price per share shall be the amount paid up by him on those shares.
- (M) (1) Upon an Employee ceasing to be such an Employee, then such Employee shall be automatically deemed to have given an unconditional Transfer Notice in accordance with paragraph 13(A) above in respect of all A Ordinary Shares then held by such

member, and the procedures set out in this paragraph (M) shall then apply in lieu of the pre-emption provisions contained in paragraph (C) above.

- (2) In the event of a deemed transfer of A Ordinary Shares pursuant to paragraph (M)(1) above, the Company shall forthwith give notice in writing to the Trustee informing it that such Ordinary Shares are available and of the Transfer Price per share (being determined in accordance with paragraph (M)(7) below ("the A Ordinary Share Transfer Price")) and inviting the Trustee to state by notice in writing at any time whether it is willing to purchase any, and if so, how many of such shares. The Company shall forthwith upon receipt of such written notice from the Trustee stating that it is willing to purchase all or some of such shares give a notice to the Trustee and the relevant member(s) specifying the date, place and time (being not later than fourteen days after the date of the notice) at which the sale of such A Ordinary Shares shall be completed in accordance with paragraph (D) above.
- (3) In the event that some or all of such A Ordinary Shares are not acquired by the Trustee ("Unsold Shares") prior to the Dealing Day immediately following the giving of the deemed Transfer Notice ("the First Available Dealing Day") then the person(s) by whom the Transfer Notice is deemed to have been given ("the Departing Members") shall be deemed to have submitted a sale order to sell the whole of such Unsold Shares in the Internal Market in a form prescribed by the Trustee ("Sale Order") for the purpose of the Internal Market in respect of all the Unsold Shares in relation to the First Available Dealing Day.
- (4) The Sale Order shall be treated as having specified that all the Unsold Shares shall be included for sale in the Internal Market at the relevant dealing price determined in accordance with the rules of the Internal Market and no Sale Order once deemed to have been given in accordance with these Articles shall be withdrawn. Any Sale Order which is deemed to have been given by the Departing Members shall be treated as having irrevocably

appointed the Trustee as his agent and attorney to execute, complete and deliver any documents or matters necessary or considered by the Trustee to be desirable to carry out the Sale Order or any contract resulting from it on the terms of the EBT rules for the Internal Market.

- (5) If following the First Available Dealing Day there remain Unsold Shares for which purchasers have not been found pursuant to the rules of the Internal Market and which are not acquired by the Trustee at any time pursuant to paragraph (M)(6) below then the Departing Members shall be deemed to have submitted the Sale Order in respect of the Unsold Shares at the next Dealing Day following the First Available Dealing Day and every subsequent Dealing Day until all remaining Unsold Shares are sold in accordance with the rules of the Internal Market.
- (6) For the avoidance of doubt the Trustee shall be entitled to acquire at any time at the A Ordinary Share Transfer Price (as defined in paragraph (M)(7) below) any Unsold Shares which have not been sold on any Dealing Day pursuant to the EBT rules for the Internal Market. Upon receiving notice from the Trustee that it wishes to purchase some or all of such shares the Company shall forthwith upon receipt of such notice give notice to the Trustee and the Departing Members specifying the place and time (being not less than 14 days after the date of such notice) at which the sale of such shares shall be completed in accordance with paragraph (D) above.
- (7) The A Ordinary Share Transfer Price shall be the relevant Dealing Price at the last Dealing Day prior to the giving of the deemed Transfer Notice (or £0.36p per share in the event that the deemed Transfer Notice is given prior to the first Auditors Certificate) save that where such A Ordinary Shares are acquired by the Trustee on or at any time after the next subsequent Dealing Day in accordance with this Article then the A Ordinary Share Transfer Price shall be the dealing price applicable on that Dealing Day.

- (8) If any Departing Member makes default in transferring shares pursuant to this paragraph (M), the Chairman for the time being of the Company or failing him one of the Directors or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Departing Member with full power to execute, complete and deliver in the name and on behalf of the Departing Member a transfer of the relevant A Ordinary Shares to the relevant person and any Director may receive and give a good discharge for the purchase money on behalf of the Departing Member and (subject to the transfer being duly stamped) enter the name of the relevant person in the register of members as the holder or holders by transfer of the shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Departing Member until he shall deliver up his certificate or certificates for the relevant shares to the Company when he shall thereupon be paid the purchase money.
- (9) As from the date a Transfer Notice is deemed to have been given pursuant to this paragraph (M) and until such time as the A Ordinary Shares the subject of such deemed transfer notice are duly registered in the name(s) of transferee(s) the shares in respect of which such Transfer Notice is given shall cease to entitle the holder thereof or any proxy to any voting rights (whether on a show of hands or on a poll otherwise attaching to such shares) or to any further shares issued in the right of such shares or in pursuance of any offer made to the holder thereof whether such rights would otherwise have been exercisable at a general meeting of the Company or any separate meeting of the class in question and such rights shall, for such period vest in the Trustee.
- (10) For the purpose of this paragraph (M) any shares held by a member in right of a person who is unconditionally entitled to the allotment or transfer of any A Ordinary Shares under any profit sharing trust and in particular but without limitation

where necessary to comply with paragraph 12(2)(b) of Schedule 9 of the Income and Corporation Taxes Act 1988 shall be treated as held by the member so that a deemed Transfer Notice is given in respect of them by such persons.

- (N) Notwithstanding any other provision in these Articles, in the event of a transfer of A Ordinary Shares to the Trustee (other than a deemed transfer under Article 13(M)(1) or a transfer by a member who is also the holder of B Ordinary Shares or C Ordinary Shares or any other transfer which is unfettered by Article 12(D)) and other than a transfer to the Trustee on a Dealing Day pursuant to the EBT Rules the price per A Ordinary Share shall be the relevant Dealing Price at the last Dealing Day prior to the transfer (or £0.36p per share in the event that the transfer takes place prior to the first Auditors Certificate).

DIRECTORS

14. (A) With the written consent of the Investor the Directors shall have power at any time and from time to time to appoint any person (willing to act) to be a director, either to fill a casual vacancy or as an additional director.
- (B) Subject to Article 8(I), the Company may by ordinary resolution appoint a person (willing to act) to be a director either to fill a vacancy or as an additional director.
- (C) No director shall be required to vacate his office as a director nor shall any person be ineligible for appointment as a director by reason of his having attained any particular age.
- (D) The Directors shall not be liable to retire by rotation.
15. Paragraph (e) of Regulation 81 of Table A shall not apply to the Company.

ALTERNATE DIRECTORS

16. In Regulation 67 of Table A the words "but, if" and the following words to the end of the Regulation shall be deleted.
17. A Director (or such other person as may be approved by the Board and the Investor Director) may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.
18. The Investor Director may by notice in writing served on the Company appoint such person as he shall determine (subject to the prior approval of the Directors not to be unreasonably withheld or delayed) to be his alternate director and may by notice in writing served on the Company remove an alternate director so appointed by him and Regulation 65 of Table A shall be modified accordingly.

PROCEEDINGS OF DIRECTORS

19. (A) No business transacted at a meeting of the Directors shall be valid unless at least 7 days (or 24 hours in the case of emergency) prior written notice of such meeting shall have been served on the Investor Director or (if one has not been appointed) on the Investor or such notice has been waived in writing by the Investor Director (if one has not been appointed) by the Investor and unless (if appointed) the Investor Director is actually present in person or by his alternate (unless he shall have previously waived in writing the requirement of his attendance in relation to that meeting). If no Investor Director has been appointed the Investor shall be entitled to nominate a representative to attend any Board Meeting as an observer. If the Investor Director is not present notwithstanding such notice (unless he has waived his attendance as aforesaid) then the meeting shall stand adjourned for a period of not less than 7 days to such time and place as those Directors present shall agree and notify to the Investor Director. If the Investor Director fails to attend such

adjourned meeting whether in person or by his alternate the meeting may notwithstanding proceed.

(B) Any Director or member of a committee of the Board may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and any Director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting.

(C) Regulation 72 of Table A shall be amended by inserting the following words at the beginning of the first sentence:-

"Subject to the prior written approval of the Investor".

20. (A) Regulation 94 of Table A shall be amended by adding the following paragraph (e):-

"(e) his interest arises solely by virtue of his being a shareholder of the Company".

(B) Except with the prior written consent of the Investor Director, a Director shall not vote as a Director on any resolution concerning a matter in which he has, directly or indirectly, any kind of interest or duty whatsoever which conflicts or may conflict with the interests of the Company other than in any immaterial respect and if he shall so vote on any such resolution as aforesaid his vote shall not be counted and Regulation 96 of Table A shall be modified accordingly.

INDEMNITY

21. (A) Subject to the provisions of the Act, every Director or other officer of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including without prejudice to the generality of the foregoing of the Company any liability incurred by him in defending any proceedings, whether civil or

criminal, in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) 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 breach of trust in relation to the affairs of the Company. 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 proper execution of the duties of his office or in relation thereto.

- (B) Without prejudice to the provisions of paragraph (A) above, the Directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company or of any subsidiary undertaking of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any such subsidiary undertaking.
- (C) Subject to the provisions of the Act, a director shall (in the absence of some other material interest as is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any directors of the Company PROVIDED THAT for the purposes of this paragraph (C) insurance shall mean only insurance against the liability incurred by a director in respect of any such act or omission by him as is referred to in paragraph (B) above or any other insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any groups of persons consisting of or including directors of the Company.

ISSUE OF SHARE CAPITAL

22. Unless otherwise determined by the Company by special resolution:-

- (A) Any new shares hereafter issued (whether or not resulting from any increase in share capital) shall before allotment or issue, be classified as A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares in the same proportions as the issued shares of each class for the time being bear to the total issued A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares in the capital of the Company, and shall be offered for subscription in the first instance to the holders of the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares respectively in proportion (as nearly as practicable) to the nominal value of the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares then in issue and as between the holders of the shares of each such class in proportion as nearly as the circumstances will admit to the number of shares held by each of them respectively and any such offer shall be made on identical terms as between the different classes and shall be made by notice in writing in accordance with Article 22(C) below. The notice shall invite the Offeree to specify the number of additional shares in the same class that he would accept if an offeree of such shares was to decline to accept all or some of the shares offered ("the Excess Shares"). After the expiration of the time limit for acceptance specified by such offer which shall not be more than 25 days, or on receipt of any intimation in writing from the Offeree that he declines to accept the shares offered, the Excess Shares shall be offered for subscription to those holders of shares of the same class who have intimated that they would accept an offer of Excess Shares and who shall, if more than one, be entitled to subscribe for the balance of such shares in the proportion as nearly as the circumstances will admit to the number of shares of the class in question then held by each of them respectively but so that the Excess Shares so offered shall not be offered on terms more favourable than those offered to the original offerees. If the total number of such Excess Shares applied for is greater than the number of Excess Shares then the Directors of the Company shall allocate the

Excess Shares between the applicants in the proportions aforesaid but so that no applicant shall receive more Excess Shares than he shall have applied for.

- (B) Any Excess Shares offered to the holders of shares of one class which remain unaccepted when the procedure described in the last foregoing paragraph is exhausted shall be offered for subscription in like manner and upon the same terms to the holders of the shares of the other classes *pari passu* as if such shares formed one class provided that the time limit for acceptance of the offer shall be 7 days.
- (C) Any such offer as aforesaid shall be made by notice specifying the number and class of the shares, the price at which the same are offered, the proposed terms of issue and limiting the time within which the offer if not accepted will be deemed to be declined.

COOPERATION ON SALE, LISTING OR REFINANCING

23. If the holders of the majority of the B Ordinary Shares then in issue serve a notice in writing on the Company that they wish to proceed with a Sale or Listing (at any time after 7 October 1996) or a Refinancing (at any time) on terms outlined in that notice, then the Company shall send a copy of that notice to all the shareholders in the Company and:-

- (A) if the Investor wishes to sell all or a proportion of the A Ordinary Shares or the B Ordinary Shares held by it in the Company in connection with such Sale, Listing or Refinancing then any other holder of Ordinary Shares shall, if so requested by the Investor Director, be bound to sell all or an equivalent proportion of its shares in the Company on terms *mutatis mutandis* no less favourable than those offered to the Investor. The provisions of Article 13 (D) of the Company's Articles of Association shall apply *mutatis mutandis* to each such shareholder's obligation under this clause;
- (B) each shareholder shall provide such sanction or consent as may be required (whether under this Agreement, the Company's Articles of Association or otherwise howsoever) at the reasonable request of the Investor Director to facilitate a Sale or Listing or a Refinancing

(including without limitation to the generality of the foregoing any waiver of pre-emption rights on transfer or issue of any shares in the Company), and if such consent or sanction is not forthcoming within 48 hours of being so requested the Investor Director shall forthwith be deemed to be the duly appointed attorney of such shareholder with full power to execute complete and deliver in the name and on behalf of such shareholder such consent or sanction as has been requested under this Article; PROVIDED THAT the Investor Director shall give the Directors notice as soon as he is aware that a Sale or Listing is imminent (setting out outline terms of the Sale or Listing to the extent the Investor Director may then have such information) and shall allow the Directors (or any of them) 45 days from the date of such notice (or if more, 30 days from the time firm non-binding heads of terms for the Sale or Listing are received from (in the case of a Sale) a potential purchaser or (in the case of a Listing) the Company's sponsor, as the case may be) to complete a purchase of the Ordinary Shares in the Company held by the Investor (at the Ordinary Share Value) and otherwise in all respects on terms equivalent to those offered by the potential purchaser and redeem the Preference Shares (at the redemption value) and repay the Subordinated Loanstock (at the repayment value), in which event the provisions of this Article 23 shall only apply if such purchases, redemption and repayment have not been effected in full before expiry of that 45 or 30 day period.

FILE COPY



**CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME**

Company No. 2826284

The Registrar of Companies for England and Wales hereby certifies that
GRAVITAS 1058 LIMITED

having by special resolution changed its name, is now incorporated
under the name of
METROLINE HOLDINGS LIMITED

Given at Companies House, Cardiff, the 15th December 1994



C028262848

M. Lewis
M. LEWIS

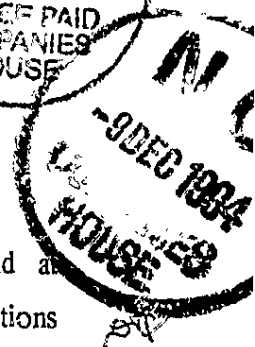
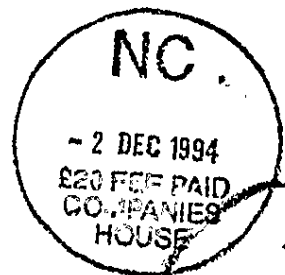
For the Registrar of Companies



65717/AFR

Company Number 2826284

THE COMPANIES ACTS 1985 AND 1989
COMPANY LIMITED BY SHARES
RESOLUTIONS
- of -
GRAVITAS 1058 LIMITED



At an Extraordinary General Meeting of the Company duly convened and held at *65, Fleet St London EC4Y 1HS* on 7th October 1994 the following Resolutions were passed as Special Resolutions:-

RESOLUTIONS

1. THAT subject to the passing of Resolution 5 each of the 5 issued Ordinary Shares of £1 in the capital of the Company be converted and sub-divided into 1,000 Deferred Shares of 0.1p each having the rights and restrictions set out in the new Articles of Association of the Company to be adopted pursuant to Resolution 5.
2. THAT subject to the passing of Resolution 5 the 95 unissued Ordinary Shares of £1 each in the capital of the Company be converted and sub-divided into 95,000 A Ordinary Shares of 0.1p each having the rights and restrictions set out in the new Articles of Association to be adopted in accordance with Resolution 5.
3. THAT subject to the passing of Resolution 5 below the authorised share capital of the Company be increased from £100 to £101,331 by the creation of 100,000 Preference Shares of £1 each, 431,000 A Ordinary Shares of 0.1p each, 175,000 B Ordinary Shares of 0.1p each, 276,000 C Ordinary Shares of 0.2p each, 23,000 D Ordinary Shares of 0.1p each and 50,000 unclassified Shares of 0.1p each having the rights and restrictions set out in



the Company's new Articles of Association to be adopted pursuant to Resolution 5 below.

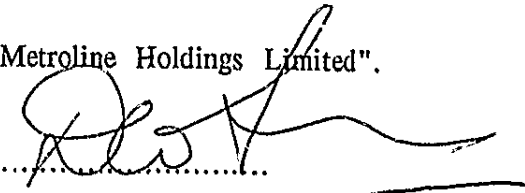
4. THAT:-

(a) the Directors be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot the relevant securities up to a maximum amount of £101,326 provided that this authority shall expire on the date being six months after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities (within the meaning of Section 80(2) of the Companies Act 1985) to be allotted after such expiry and the Directors may allot the relevant securities pursuant to such offer or agreement as if the authority conferred hereby had not expired and provided further this authority shall be in substitution for and supersede and revoke any such earlier authority conferred on the Directors; and

(b) the Directors be and are hereby empowered pursuant to Section 95 of the Companies Act 1985 (the "Act") to allot equity securities pursuant to the authority conferred by paragraph (a) of this resolution wholly for cash as if Section 89 of the Act did not apply.

5. THAT the Articles of Association in the form attached hereto and initialled by the Chairman of the Company for identification be and are hereby adopted as the new Articles of Association for the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.

6. THAT the Company change its name to "Metroline Holdings Limited".


.....
Chairman

Company Number 2826284

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

RESOLUTIONS

- of -

GRAVITAS 1058 LIMITED

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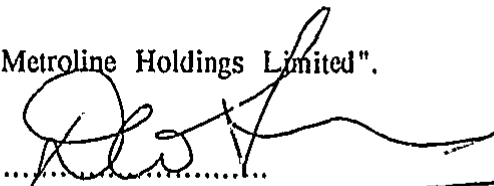
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6. THAT the Company change its name to "Metroline Holdings Limited".


.....
Chairman

G

COMPANIES FORM No. 225(1)

Notice of new accounting reference date given during the course of an accounting reference period

225(1)

Please do not write in this margin.

Pursuant to section 225(1) of the Companies Act 1985 as inserted by section 3 of the Companies Act 1989

Please complete legibly, preferably in black type, or bold block lettering.

1. To the Registrar of Companies
(Address overleaf—Note 6)

Company number

2826284

Insert full name of company

GRAVITAS 1058 LIMITED

Note

Details of day and month in 2, 3 and 4 should be the same.

Please read notes 1 to 5 overleaf before completing this form.

Delete as appropriate.

2. Gives notice that the company's new accounting reference date on which the current accounting reference period and each subsequent accounting reference period of the company is to be treated as coming, or as having come, to an end is

Day Month

3 0 0 9

3. The current accounting reference period of the company is to be treated as [shortened] [extended]† and [is to be treated as having come to an end] [will come to an end]† on

Day Month Year

3 0 0 9 1 9 9 4

4. If this notice states that the current accounting reference period of the company is to be extended, and reliance is being placed on the exception in paragraph (a) in the second part of section 225(4) of the Companies Act 1985, the following statement should be completed:

The company is a [subsidiary] [parent]† undertaking of _____, company number _____

the accounting reference date of which is _____

5. If this notice is being given by a company which is subject to an administration order and this notice states that the current accounting reference period of the company is to be extended AND it is to be extended beyond 18 months OR reliance is not being placed on the second part of section 225(4) of the Companies Act 1985, the following statement should be completed:

An administration order was made in relation to the company on _____ and it is still in force.

†Insert Director, Secretary, Receiver, Administrator, Administrative Receiver or Receiver (Scotland) as appropriate.

6. Signed

Designation†

Date

Presentor's name, address, telephone number and reference (if any):

For official use
D.E.B.

Post room

ERNST & YOUNG

Notes House
Roths Buildings
Roths Lane
London EC4A 3DF

