

THE COMPANIES ACTS 1985 AND 1989

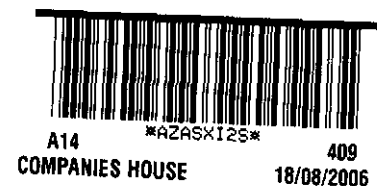
COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

OF

MEDIAVEST (MANCHESTER) LIMITED (the "Company")

passed on 3 July 2006



Pursuant to section 381A Companies Act 1985 and in accordance with article 6 of the Company's articles of association we, the undersigned, being all the members of the Company entitled to attend and vote at general meetings of the Company consent to and pass the following written resolution having effect as ordinary resolutions in respect of 1, 2, 3 and 4 and a special resolution in respect of 5:

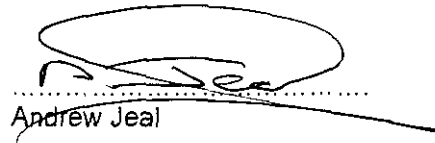
**Ordinary Resolutions**

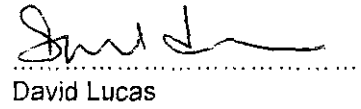
- 1 that the rights attaching to each of the authorised issued and unissued A ordinary shares, B ordinary shares, C ordinary shares and D ordinary shares in the capital of the Company be altered so that such shares shall have the rights attaching to them and be subject to the restrictions outlined in the new articles of association to be adopted pursuant to resolution 5 below;
- 2 that the 1,250 authorised and issued D ordinary shares of £1 each in the capital of the Company be and are hereby reclassified into 1,250 C ordinary shares of £1 each, such shares having the rights attaching to them and subject to the restrictions outlined in the new articles of association to be adopted pursuant to resolution 5 below;
- 3 that the current authorised share capital of the Company be and it is hereby increased from £240,000 to £255,000 by the creation of 15,000 D ordinary shares of £1 each, such shares of £1 each having the rights attaching to them and subject to the restrictions outlined in the new articles of association to be adopted pursuant to resolution 5 below;
- 4 that in substitution for any previous authority given by the Company which be and is hereby revoked, the directors be and are hereby generally and unconditionally authorised, in accordance with section 80 Companies Act 1985, to exercise all the powers of the Company to allot relevant securities (as defined in that section) up to a maximum aggregate nominal amount of relevant securities of £140,144 provided that this authority will expire on the date being five years from the date on which this resolution is passed, but the Company may before this authority expires make an offer or agreement which would or might require relevant securities to be allotted after this authority expires and the directors may allot relevant securities pursuant to such offer or agreement as if this authority had not expired;

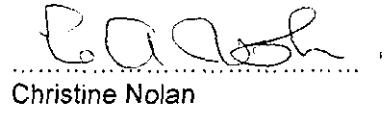
**Special Resolution**

- 5 that the Company hereby adopts the new articles of association in the form initialled by way of identification and attached hereto in the place of and to the exclusion of its existing articles of association.

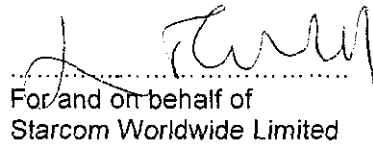
**A Shareholders**

  
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Andrew Jeal

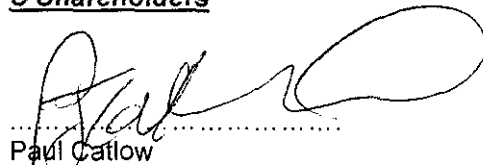
  
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David Lucas

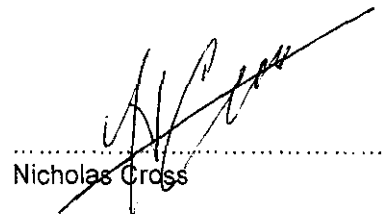
  
.....  
Christine Nolan

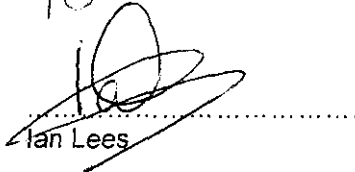
**B Shareholders**

  
.....  
For and on behalf of  
Starcom Worldwide Limited

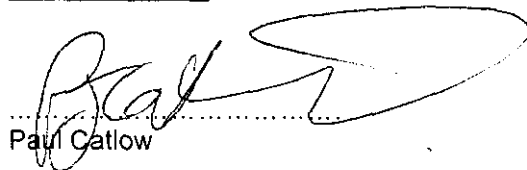
**C Shareholders**

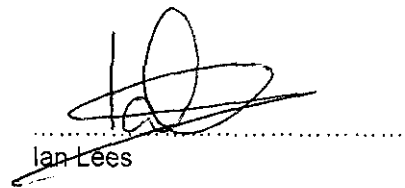
  
.....  
Paul Catlow

  
.....  
Nicholas Cross

  
.....  
Ian Lees

**D Shareholders**

  
.....  
Paul Catlow

  
.....  
Ian Lees

Dated 3 July 2006

*SLD*  
*W. E. O. R.*  
*W. E. O. R.*

birmingham  
 bristol  
 brussels  
 leeds  
 london  
 manchester  
 winchester

**MEDIAVEST (MANCHESTER) LIMITED**

## ARTICLES OF ASSOCIATION

Beachcroft LLP  
 St Ann's House St Ann Street Manchester M2 7LP UK  
 tel: +44 (0) 161 934 3000 fax: +44 (0) 161 934 3288  
 DX 14341 Manchester 1

**COMPANIES ACTS 1985 AND 1989**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**MEDIAVEST (MANCHESTER) LIMITED ("Company")**

**(adopted by Special Resolution of the Company**

**passed on**                      *3 July*                      **2006)**

**1. TABLE A**

Except as excluded or varied in these articles, Table A (as defined below) will apply to the Company and will be deemed to form part of these articles.

**2. DEFINITIONS AND INTERPRETATION**

2.1 In these articles the following words and expressions will have the following meanings:

**"1999 Share Option Scheme"** means the historic share option scheme of the Company constituted and governed by the 1999 Scheme Rules;

**"1999 Scheme Rules"** means the rules of the 1999 Share Option Scheme dated 16 February 1999;

**"Acting in Concert"** has the meaning given to it in the City Code on Takeovers and Mergers;

**"Agreed Allotment"** means the issue and allotment (whether pursuant to the Share Scheme or otherwise) of up to 15,000 B Shares or D Shares to such persons and upon such terms as the A Directors may in their discretion determine;

**"Allocation Notice"** has the meaning given in Article 14.7;

**"Approved Offer"** has the meaning given in Article 15.1.1;

**"A Director"** means any person appointed by the A Shareholders to be a Director pursuant to Article 26.4 and "A Directors" shall be construed accordingly;

**"A Share"** means an A ordinary share of £1.00 in the capital of the Company;

**"A Shareholder"** means a registered holder of any A Shares;

**"Associate"** means in relation to any company, any other company which is, for the time being, a holding company or a subsidiary of that company or of any such holding company;

**"Auditors"** means the Company's incumbent auditors from time to time;

**"Bad Leaver"** means a Relevant Individual who ceases to be an employee and/or director of the Company or any member of the Group and who is not a Good Leaver;

**"Board"** means the incumbent board of Directors;

**"B Director"** means any person appointed by the B Shareholders to be a Director pursuant to Article 26.4;

**"B Share"** means a B ordinary share of £1.00 in the capital of the Company;

**"B Shareholder"** means a registered holder of any B Shares;

**"Business Day"** means a day (which for these purposes ends at 5.30pm) on which banks are open for commercial business in the City of London other than a Saturday, Sunday or public holiday;

**"Buyer"** means a person who make an Approved Offer;

**"Cessation Date"** means the date on which a Relevant Individual ceases to be an employee or director of any Group Member for any reason (including death or bankruptcy);

**"Commencement Date"** means the date on which these articles are adopted;

**"Companies Act"** means the Companies Act 1985 (as amended);

**"Compulsory Sale Notice"** means a notice served on a Compulsory Seller pursuant to Article 12.2;

**"Compulsory Seller"** and **"Compulsory Sellers"** have the meanings given in Article 12.2;

**"Connected Person"** has the meaning given in section 839 of the Income and Corporation Taxes Act 1988;

**"Controlling Interest"** in relation to a person means the ownership by that person and his or its Connected Persons or any person or persons Acting in Concert of Shares carrying the right to more than 50 per cent of the total number of votes which may be cast on a poll at a general meeting of the Company;

**"C Share"** means a C ordinary share of £1.00 in the capital of the Company;

**"C Shareholder"** means a registered holder of C shares;

**"D Share"** means a D ordinary share of £1 in the capital of the Company;

**"D Shareholder"** means a registered holder of any D Shares;

**"Credited as Paid Up"** means amounts paid up or credited as paid up on a Share including any premium;

**"Deferred Shares"** means a deferred share of £1.00 in the Company;

**"Determination Committee"** means a standing committee of the Directors, named as such and comprising the Commercial Director of the Company and the A Directors or if there is no Commercial Director or if the A Directors shall require otherwise, such other director in addition to the A Directors as the A Directors shall determine;

**"Directors"** means the Company's incumbent directors;

**"Drag Along Right"** has the meaning given in Article 15.2;

**"EBT"** means any trust or other arrangement which may be established (with the consent of the A Shareholders) for the benefit of some or all the employees (which may include past employees) of the Company and/or any other member of the Group, and which satisfies the definition of an "employees' share scheme" set out in section 743 of the Companies Act or which the A Shareholders determine should be an EBT for the purposes of these Articles;

**"Electronic Communication"** means any communication transmitted by way of fax or email;

**"Entitled Shareholders"** shall have the meaning given in Article 9.7;

**"Equity Shareholder"** means a registered holder of any Equity Shares;

**"Equity Shares"** means the issued A Shares, B Shares, C Shares and D Shares at any time, and (with the exception of the Deferred Shares) all shares derived from them (and any of them) whether by conversion, consolidation or sub-division or by way of rights or bonus issue;

**"Extra Shares"** has the meaning given in Article 14.4;

**"Family Trust"** means a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) under which the only persons being (or capable of being) beneficiaries are the Original Member and/or his Privileged Relations, and no power of control over the voting powers conferred by such Shares is exercisable at any time by or subject to the consent of any person other than the trustees as trustees or such individual beneficial owner or his Privileged Relations or the Original Member;

**"Former Spouse"** in relation to a Member, means an ex-spouse of that Member from whom such Member is divorced, or a spouse from whom the Member is separated or estranged;

**"FSMA"** means the Financial Services and Markets Act 2000;

**"Good Leaver"** means a Relevant Individual who

- (a) ceases to be an employee and/or director of any Group Member as a result of:
  - (i) death;
  - (ii) permanent incapacity or ill-health (except where such ill-health arises as a result of an abuse of drink or drugs) which, in the opinion of the A Directors is sufficiently serious to prevent him from carrying out his normal duties;
  - (iii) retirement in accordance with his contract of employment; or
- (b) is wrongfully dismissed, constructively dismissed or unfairly dismissed (other than because of some procedural irregularity) by a Group Member; or
- (c) who does not fall within categories (a) or (b) above, but is determined by the Determination Committee in its absolute discretion to be a Good Leaver.

**"Group"** means the Company and its subsidiaries (as defined by section 736 Companies Act) from time to time and references to a **"Member of the Group"** or a **"Group Member"** will be construed accordingly;

**"Issue Price"** means the amount paid up or credited as paid up (including any premium on issue) on the Share concerned;

**"Junior A Shareholder"** means an A Shareholder whose Specified Proportion is 5 per cent or less;

**"Leaver"** means a Good Leaver or Bad Leaver;

**"Liquidation"** means the passing of a resolution for the winding-up of the Company;

**"Market Value"** has the meaning given in Articles 12.4 and 13;

**"Member"** means a registered holder of any Share as recorded in the Company's register of members;

**"Original B Shareholder"** means a person who is a B Shareholder on the Commencement Date;

**"Original Member"** means a beneficial owner (being an individual) of Shares;

**"Other Shareholders"** has the meaning given in Article 15.2;

**"Privileged Relation"** means in relation to any Member, the Member's spouse for the time being (other than a Former Spouse) or parent, and all lineal descendants of that Member (including for this purpose any step-child, adopted child or illegitimate child of the Member or his lineal descendants but shall not include any lineal descendants who are also descendants of a Former Spouse of the Member unless the A Shareholders shall agree) or any person who for the time being is married to any such lineal descendant but so that, other than as regards defining what constitutes a Family Trust, no lineal descendent may be a Privileged Relation whilst a minor;

**"Proportionate Entitlement"** has the meaning given in Article 14.4;

**"Proposed Transferee"** means a person to whom a Compulsory Seller proposes to transfer Sale Shares;

**"PRs"** means the legal personal representatives of a deceased Member;



**"Relevant Individual"** means an individual who is an employee or director of any Group Member;

**"Remuneration Committee"** means a standing committee of the Directors, named as such and comprising the chairman of the Board (if any) and the A Directors;

**"Sale Shares"** means Shares which a Compulsory Seller is required to transfer or which are the subject of a Sale Notice;

**"Sale Notice"** has the meaning given in Article 14.1;

**"Senior A Shareholders"** means the A Shareholders other than the Junior A Shareholder(s);

**"Share"** means a share in the Company and references to **"Shares"** will be construed accordingly;

**"Share Sale"** means the completion of any transaction or series of transactions whereby any person or Connected Persons or group of persons acting in concert purchases or otherwise acquires or obtains all of the Equity Shares;

**"Share Scheme"** means such share option scheme available to employees and/or directors of the Company and its subsidiaries as the A Directors may approve and nominate as the Share Scheme for the purposes of these Articles;

**"Shareholders Agreement"** means an agreement dated on the Commencement Date and made between the Company (1) D Lucas (2) A Jeal (3) Starcom Worldwide Limited (4) and Other Management Shareholders (as defined in it) (5);

**"Specified Proportion"** means in relation to a Shareholder, a fraction (which in these Articles may be expressed as a percentage), the numerator of which is the total number of that Shareholder's Equity Shares at the relevant time and the denominator of which is the total number of all Equity Shares in issue at the relevant time and **"Specified Proportions"** shall be construed accordingly;

**"Table A"** means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) and the Companies Act 1985 (Electronic Communications) Order 2000;

**"Transfer Price"** has the meaning given in Article 14.1;

**"UK Listing Authority"** means the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA including, where the context so permits, any committee, employee, officer or servant to whom any function of the UK Listing Authority may for the time being be delegated;

**"Voting Conditions"** means that the voting rights attaching to any Shares held by a Privileged Relation or in a Family Trust are to be exercised by one of the A Shareholders as attorney pursuant to a valid and continuing power of the attorney granted by the registered holder(s) of such Shares;

2.2 Words and phrases which are defined or referred to in or for the purposes of the Companies Act or Table A have the same meanings in these articles unless a contrary intention appears.

2.3 In these articles, unless a contrary intention appears:

2.3.1 words which refer to the singular number include the plural number and vice versa, words which refer to one gender include all genders, and words which refer to persons include bodies corporate and unincorporated associations;

2.3.2 reference to a statute or a statutory provision includes reference to:

2.3.2.1 the statute or statutory provision as modified or re-enacted or both from time to time; and

2.3.2.2 any subordinate legislation made under the statutory provision (as modified or re-enacted as set out above);

2.3.3 reference to a Regulation is to a regulation of Table A, and reference to an Article is to a provision of these articles;

2.3.4 reference to a **"transfer"** of Shares or any similar expression will be deemed to include (without limitation):

2.3.4.1 any sale or other disposition of the legal or equitable interest in a Share (including any voting right attached to a Share) (**"Interest"**);

2.3.4.2 the creation of any mortgage, charge, pledge or other encumbrance over any Interest;

2.3.4.3 any direction by a Member entitled to an allotment or issue of Shares that a Share be allotted or issued to some person other than himself; and

- 2.3.4.4 any grant of an option to acquire either or both of the legal and equitable ownership of any Share by any Member entitled to any such Share;
- 2.3.5 reference to a **"group undertaking"** means, in relation to any undertaking, its holding company (if any) and its subsidiaries (as such terms are defined by section 736 Companies Act) and any other subsidiaries of its holding company;
- 2.3.6 reference to an address for the purposes of any Electronic Communication means any number or address used for the purpose of such communication; and
- 2.3.7 reference to "written" or "in writing" includes any method of representing or reproducing words in a legible form including, for the avoidance of doubt, Electronic Communication.
- 2.4 Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, or as to amount, in respect of Market Value of Sale Shares under these articles, will be referred immediately to the Auditors for final determination. If the Auditors decline to act in respect of any such referral or if any Member interested in the matter to be determined, objects to the Auditors appointment, the matter will be determined by an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement within five Business Days after the Auditors have declined to act, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales. The Auditors or independent accountants (as the case may be) will act as expert and not as arbitrator and their costs will be borne as directed by the Article in question or, if the Article is silent on the point, as directed by the Auditors/independent accountants. In the absence of any such direction, such costs will be borne equally between parties concerned. The written certificate of the Auditors/independent accountants (as the case may be) will be conclusive and binding on the Company and the Members (except in the case of fraud or manifest error).
- 2.5 The headings in these articles are included for convenience only and do not affect the meaning of these articles.
- 2.6 Where, for any purpose, an ordinary resolution of the Company is required, a special or an extraordinary resolution is also effective for that purpose, and where, for any

purpose, an extraordinary resolution is required, a special resolution is also effective for that purpose.

### **3. SHARE CAPITAL**

The authorised share capital of the Company at the date of adoption of these articles is £255,000 divided into:

- 3.1 140,990 A Shares;
- 3.2 47,760 B Shares;
- 3.3 51,250 C Shares; and
- 3.4 15,000 D Shares.

### **4. SHARE RIGHTS**

Regulation 2 will not apply to the Company. The rights and restrictions attaching to the A Shares, B Shares, C Shares and D Shares and the rights and restrictions attaching to any Deferred Shares into which the B Shares may be converted are set out in full in these Articles.

### **5. SHARE RIGHTS - INCOME**

If :

- 5.1 the Board, subject to receiving the consent of the A Directors, which may be given or withheld in their absolute discretion and with or without such conditions as the A Directors may in their discretion stipulate) has recommended payment of the same; or
- 5.2 If the A Directors require payment of the same (subject to obtaining the consent of the A Shareholders)

then subject always to Article 5.3, any profits which the Company determines to distribute in respect of any accounting period will be applied on a non cumulative basis to the holders of the Equity Shares as set out in the table below but not so that the holders of any class of shares shall be entitled to their relevant percentage share of the profits available for distribution in priority to the holders of any other class of shares.

<b>Class of Shares</b>	<b>Percentage entitlement (as a class) to profits to be distributed (regardless of Specified Proportions)</b>
B Shares	25%
A Shares, C Shares and (subject always to Article 5.3) D Shares pari passu according to the number of such shares held by them respectively as if the same constituted one class of Share	75%

- 5.3 The D Shares may be issued with such restrictions as to the right to receive dividends and other distributions of profit which the Company determines to distribute as may be agreed between the A Directors and the person to whom such shares are to be issued including (without limitation) so that any D Shares issued and allotted may become dividend bearing over time but provided always that no D Shares may be issued with right to dividends or other profits of the Company that rank ahead of any other class of Equity Shares.

## **6. SHARE RIGHTS - RETURN OF CAPITAL**

- 6.1 On a return of capital of the Company on a Liquidation or otherwise (other than a redemption of Shares or the purchase by the Company of its own Shares), the surplus assets and retained profits of the Company available for distribution among the Members will be applied in the following order and priority:

<b>Priority</b>	<b>Class of Share</b>	<b>Amount to be paid</b>
1.	Equity Shares (pari passu according to the number of such shares held by them respectively as if the same constituted one class of Share	the surplus assets and retained profits of the Company available for distribution up to the maximum amount of £1,000,000 per Equity Share.
2.	Deferred Shares	£0.0001 per Deferred Share.
3.	Equity Shares (pari passu as according to the number of such shares held by them respectively if the same constituted one class of	any balance of such surplus assets and retained profits.

	Share)	
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- 6.2 Any return of capital on the Shares of a particular class on a Liquidation which is less than the full amount to be paid pursuant to Article 6.1 on such class will be made amongst the holders thereof pro rata as nearly as possible to their respective holdings of Shares of that class.

## **7. SHARE RIGHTS – VOTING**

- 7.1 The voting rights of Members set out in Article 22 are subject to Article 12.5 (Suspension of voting rights) and Article 26 (removal of Directors).
- 7.2 The Deferred Shares do not carry the right to receive notice of or to attend, speak or vote at any general meetings of the Company.

## **8. VARIATION OF SHARE RIGHTS**

- 8.1 The rights attached to the A Shares, the B Shares, the C Shares and the D Shares may, in each case, be altered or abrogated (whether or not the Company is being wound up) only with the prior consent of the holders of the A Shareholders, B Shareholders, C Shareholders or D Shareholders respectively given in accordance with Article 8.1.
- 8.2 The consent, agreement or direction of the holders of a class of Shares, whether in relation to an alteration or abrogation of the rights attaching to the relevant class of Shares or where consent or agreement or direction by a particular class of Shareholder is required or may be made (as the case may be) under these Articles, may be given by:
- 8.2.1 an extraordinary resolution passed at a separate general meeting of the holders of that class; or
  - 8.2.2 a written resolution in any form signed by or on behalf of the holders of not less than 75 percent in nominal value of the issued Shares of that class;
  - 8.2.3 in the case of the A Shares (as a class) by the consent in writing of all the Senior A Shareholders;
  - 8.2.4 in the case of the B Shares (as a class) by the consent in writing of all the B Shareholders;

8.2.5 in the case of the C Shares (as a class) by the consent in writing of the holders of not less than 75 per cent in nominal value of the issued C Shares; and

8.2.6 in the case of the D Shares (as a class) by the consent in writing of the holders of not less than 75 per cent in nominal value of the issued D Shares.

8.3 Without prejudice to the general effect of Article 8.1, the following matters set out in column 1 below will be deemed to constitute a variation of the rights attached to the class or classes of Shares set opposite each event respectively in column 2 below:

Column 1	Column 2
1. any variation of the rights attaching to any of the Equity Shares;	A Shares B Shares C Shares
2. the convening of a meeting to consider the passing of any resolution to reduce the Company's share capital or any amount standing to the credit of its share premium account or capital redemption reserve fund, or to reduce any uncalled liability in respect of partly paid shares;	A Shares B Shares C Shares
3. the convening of a meeting to consider the passing of any resolution to alter the Company's memorandum or articles of association other than by way of an increase in share capital otherwise permitted under Article 9;	A Shares B Shares
4. the payment of any distribution or return of a capital nature to any shareholder;	A Shares B Shares
5. the capitalisation of any undistributed profits (whether or not the same are available for distribution, and including profits standing to the credit of any reserve) or of any sums standing to the credit of the Company's share premium account or capital redemption reserve fund;	A Shares B Shares
6. the payment of any distribution or return of an income nature to any shareholder otherwise than in accordance with Article 5;	A Shares B Shares

7.	any variation of the authorised share capital of the Company or increase in the issued share capital of the Company in circumstances where the B Shareholders or the C Shareholders are not afforded the opportunity to subscribe for new B Shares or C Shares (as the case may be) so as to maintain their Specified Proportion in accordance with Article 9 provided always that the making of the Agreed Allotment shall not constitute a variation to the rights attaching to any class of Shares;	A Shares B Shares
8.	Any increase in the issued share capital of the Company within the period of 5 years from the Commencement Date other than as may be covered by the Agreed Allotment or in accordance with Article 9 below;	A Shares B Shares C Shares
9.	the creation or grant of any option or other right to subscribe for, convert into or issue any shares or other securities in the capital of the Company within the period of 5 years from the Commencement Date other than as may be covered by the Agreed Allotment or in accordance with Article 9 below; or	A Shares B Shares C Shares
10.	the taking of any steps to wind up or dissolve the Company.	A Shares B Shares

8.4 Provided always that a repurchase of Shares by the Company pursuant to Article 14 shall not constitute a variation of the rights attaching to any of the Equity Shares.

## 9. ISSUE AND ALLOTMENT OF NEW SHARES

9.1 Other than for any Shares within the Agreed Allotment which subject to Article 9.7 below may be made on such terms and to such persons as the A Directors may in their discretion determine, any new Shares that are proposed to be issued and allotted by the Company, will be offered by the Directors for subscription to the Entitled Shareholders in such proportions as equal (as nearly as possible) the proportion that the Equity Shares held by each of them respectively at that time bears to all the Equity Shares held by all the Entitled Shareholders at that time. For the purpose of this Article, the Equity Shares held by the Entitled Shareholders will be treated as one class of Share (subject always to Article 9.6).



- 9.2 The offer will be made by notice specifying the number and class of Shares offered, the price per Share, and a time (being not less than 14 days) within which the offer, if not accepted, will be deemed to be declined. At the end of that period or, if earlier, on the receipt of an indication from the person(s) to whom such notice is given that he/they decline(s) to accept some or all of the Shares so offered, the Directors will offer the declined Shares in the same proportions to the holders of Equity Shares who are Entitled Shareholders and who have accepted all the Shares initially offered to them. This further offer will be made in the same manner as the original offer but may, at the discretion of the Directors, be limited to a period of seven days after which it will (to the extent that any Shares remain unaccepted) be deemed to have been withdrawn.
- 9.3 Any Shares not taken up at the end of the procedure set out in Articles 9.1 and 9.2 may be offered by the Directors to a third party (to be approved by the Senior A Shareholders), and, subject to these articles, the provisions of section 80 of the Companies Act and to the prior approval of the A Shareholders, such Shares will be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms as they think fit. However:
- 9.3.1 no Shares will be issued at a discount;
- 9.3.2 no Shares will be issued more than three months after the end of the period for acceptance of the last offer of such Shares under Articles 9.1 and 9.2 unless the procedure set out in those Articles is repeated in respect of such Shares; and
- 9.3.3 no Shares will be issued on terms which are more favourable than those on which they were offered to the Members Article 9.2.
- 9.4 The provisions of sections 89(1) and 90(1) to (6) of the Companies Act will not apply to the Company.
- 9.5 If, due to any inequality between the number of new Shares to be issued and the number of Shares held by Members entitled to have the offer of new Shares made to them, the apportionment of any such new Shares amongst the Members results in any Member being entitled to a fraction of a new Share, the apportionment of such new Shares will be determined by the A Directors as nearly as possible to the Member's entitlements without the requirement for the issue of fractions of Shares.

9.6 Any Equity Shares allotted hereunder to the holder of A Shares, B Shares, C Shares or D Shares shall upon such allotment be converted to A Shares, B Shares, C Shares or D Shares respectively (as the case may be) to rank pari passu with the existing A Shares, B Shares, C Shares and D Shares. Where a Member holds more than one class of Share the Equity Shares allotted to that Member shall be converted to A Shares, B Shares, C Shares and/or D Shares in proportion (as nearly as possible as the A Directors shall determine) to the number of A Shares, B Shares, C Shares and/or D Shares held by that Member prior to such allotment.

9.7 In these Articles, "Entitled Shareholders" means:-

9.7.1 the Senior A Shareholders;

9.7.2 the B Shareholders;

9.7.3 the C Shareholders; and

9.7.4 such other Shareholders as the A Directors may in their absolute discretion determine.

## **10. TRANSFERS OF SHARES - PROHIBITED TRANSFERS**

### ***General Prohibitions***

10.1 The Directors will not register any transfer of Shares to any of the following:

10.1.1 any person who, in the reasonable opinion of the A Directors is carrying on business directly or indirectly in competition with the Company or any member of the Group, except this restriction will not apply to:

10.1.1.1 any transfer of Shares pursuant to Articles 15 (Drag Along Rights and Tag Along Rights); or

10.1.1.2 any transfer of shares to the A Shareholders; or

10.1.2 any person who does not have legal capacity to transfer such Shares or otherwise to comply fully with the provisions of these articles;

### ***Prohibition unless in accordance with those articles***

10.2 Without prejudice to Articles 10.1, the Directors will not register a transfer of Shares unless:

10.2.1 the transfer is permitted by Article 11, (Permitted Transfers); and

10.2.2 the proposed transferee has entered into a deed of adherence to, and in the form required by the Shareholders Agreement.

10.3 For the purpose of ensuring that:

10.3.1 a transfer of shares is permitted under these articles; or

10.3.2 no circumstances have arisen whereby a Compulsory Sale Notice is required to be or ought to have been given or Shares are required to be transferred pursuant to Articles 11.3; or

10.3.3 no circumstances have arisen whereby the drag along provisions are required to be or ought to have been triggered pursuant to Article 18,

the Board may, and will if so requested by an A Director, require any Member to procure in so far as he is reasonably able that any person whom the Board or an A Director reasonably believes to have information relevant to such purpose provides *the Company with such information and evidence as the Board or an A Director think fit*. Pending the provision of such information the Board will be entitled to refuse to register any relevant transfer.

10.4 Regulations 24 and 26 will not apply to the Company.

## **11. PERMITTED TRANSFERS**

11.1 Subject to Article 10, any Share may be transferred, notwithstanding the provisions of the 1999 Scheme Rules:

11.1.1 if it is a transfer of A Shares to any other A Shareholder; or

11.1.2 subject to the Voting Conditions being satisfied, if it is an A Share, by any Senior A Shareholder to any Privileged Relation of that Senior A Shareholder, subject to the Privileged Relation agreeing in writing to be bound by the provisions of these Articles and the Shareholders Agreement; or

11.1.3 subject to Article 11.2 and to the Voting Conditions being satisfied, if it is an A Share, by its beneficial owner (being an individual and a Senior A Shareholder) to the trustee or trustees of a Family Trust, and by any such trustee or trustees to the beneficial owner, or to any other person or persons shown to the reasonable satisfaction of the A Directors to be a trustee or trustees for the time being (on a change of trustee) of the Family Trust in question, or to any other person or persons shown to the reasonable

satisfaction of the A Directors to be a beneficiary under the Family Trust, subject to the trustee(s) or other person(s) agreeing in writing to be bound by the provisions of these Articles and the Shareholders Agreement; or

- 11.1.4 when required by, and in accordance with, Article 12 (Compulsory Transfers); or
- 11.1.5 to a Buyer in acceptance of an Approved Offer pursuant to Article 15 (Drag Along Rights and Tag Along Rights);
- 11.1.6 which transfer has previously been approved in writing by all the Senior A Shareholders; or
- 11.1.7 if it is a transfer of B Shares transferred to an Associate of a person who is a B Shareholder on terms that if any such transferee ceases to be an Associate of the Original B Shareholder then such B Shares shall be transferred to the Original B Shareholder or one of its Associates.

***Further transfers by privileged relations, group members etc.***

- 11.2 Where A Shares are held by one or more nominees of their beneficial owner, or by a trustee or trustees on a Family Trust or a Privileged Relation and any such person ceases to be:

- 11.2.1 a nominee of the beneficial owner of the A Shares; or
- 11.2.2 a trustee of the Family Trust of the beneficial owner of the A Shares; or
- 11.2.3 a Privileged Relation; or
- 11.2.4 the Voting Conditions cease to be satisfied in relation to a Privileged Relation or Family Trust,

such person will, on or before such cessation, transfer such A Shares to a transferee permitted under Article 11.2 as if the transferor was an A Shareholder.

- 11.3 If a Member fails or refuses to execute and deliver any transfer in respect of any Shares pursuant to its obligations under Article 11.2, the Board may (and will if requested by an A Director) authorise any Director to execute and deliver the necessary transfer(s) on the defaulting Member's behalf. The Board will authorise registration of the transfer, and of the transferee as the holder of the Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of the transferee as registered holder of such Shares will not be affected by

any irregularity in or invalidity of such proceedings, which, will not be questioned by any person.

## 12. COMPULSORY TRANSFERS

### *Circumstances which trigger compulsory transfer*

12.1 Articles 12.1 to 12.6 apply, notwithstanding the provisions of the 1999 Scheme Rules, when:

12.1.1 a Relevant Individual is a C Shareholder, D Shareholder or a Junior A Shareholder; and/or

12.1.2 a Relevant Individual has, to the extent permitted by or pursuant to Article 11 established a Family Trust which holds C Shares or D Shares; and/or

12.1.3 a Privileged Relation of a Relevant Individual holds, to the extent permitted by or pursuant to Article 11, C Shares or D Shares as a result of a transfer by the Relevant Individual or the trustees of a Family Trust established by the Relevant Individual; and/or

12.1.4 a C Shareholder or D Shareholder holds, to the extent permitted by or pursuant to Article 11, C Shares as the nominee of a Relevant Individual; and/or

and the Relevant Individual becomes a Leaver.

### *Compulsory Pre-emption Procedure*

12.2 Within six months after the Cessation Date an A Director may serve notice ("**Compulsory Sale Notice**") on the Relevant Individual and/or any holder of C Shares or D Shares referred to in Article 12.1 (or the PRs of any such Member who is deceased or the trustee in bankruptcy of any such Member who is bankrupt) (each a "**Compulsory Seller**" and together "**Compulsory Sellers**") requiring each such person to offer for sale all of the Shares registered in his or their name(s) or to which he is or they are or may become entitled whether as a result of his or their holding of Shares or otherwise. The Shares which are the subject of the Compulsory Sale Notice will be offered for sale (other than to any Compulsory Seller or to any Member in respect of whose Shares a Compulsory Sale Notice has previously arisen but who still holds Shares following the exhaustion of the pre-emption rights contained in Article 14 in relation to such Compulsory Sale Notice) in accordance with the provisions of Article 14.

### **Good Leaver/Bad Leaver**

12.3 The Shares which are the subject of a Compulsory Sale Notice shall be offered:-

12.3.1 in the case of a Good Leaver who is a C Shareholder, at Market Value on the Cessation Date;

12.3.2 subject to Article 12.3.4, in the case of a Bad Leaver or a Leaver who is a D Shareholder (but not falling within Article 12.3.4 below), at the lower of the Issue Price and Market Value on the Cessation Date;

12.3.3 in the case of a Bad Leaver who is a C Shareholder, at Issue Price; or

12.3.4 in the case of a D Shareholder who is a Good Leaver as a consequence of a determination of the Determination Committee as contemplated by paragraph (c) of the definition of "Good Leaver", Market Value on the Cessation Date.

12.4 **"Market Value"** for the purposes of Article 14 will be:

12.4.1 the price agreed between the Compulsory Seller(s) and at least two A Directors, or, if there is only one, the sole A Director; or

12.4.2 if they fail to agree a price within 15 Business Days of the Cessation Date, or otherwise in accordance with any different timetable determined by an A Director, the price determined by the Auditors (or independent accountant) to be the Market Value of such Shares on the Cessation Date, according to the principles set out in Article 13. Suspension of voting rights

12.5 Unless an A Director directs otherwise in writing, any Shares held by a Compulsory Seller on the Cessation Date (and any Shares issued to a Compulsory Seller after such date by virtue of the exercise of any right or option granted or arising by virtue of his holding of the Sale Shares) will cease to confer the right to be entitled to receive notice of, attend and vote at any general meeting of the Company, or any meeting of the holders of any class of Shares with effect from the Cessation Date (or, where appropriate, the date of issue of such Shares, if later), and such Shares will not be counted in determining the total number of votes which may be cast at any such meeting, or for the purposes of a written resolution of any Members or class of Members. That right will be restored immediately upon the Company registering a transfer of the relevant Sale Shares in accordance these Articles.

### ***Transmission of Shares***

12.6 Regulations 28 to 30 shall take effect subject to this Articles 12 .

## **13. VALUATION**

### ***Determination of "Market Value"***

If the Auditors (or, by virtue of Article 2.4 independent accountants) are required to determine Market Value pursuant to Article 12.4.2, the provisions set out below will apply.

13.1 Market Value will be determined by the Auditors or, as the case may be, independent accountants, first valuing the Company as a whole:

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

13.1.2 assuming that the entire issued share capital of the Company is being sold as between a willing buyer and a willing seller by arm's-length private treaty for cash payable in full on completion;

13.1.3 taking account of any Shares which may be allotted pursuant to options which have been issued by the Company and which are still outstanding;

13.1.4 taking account of any bona fide offer for the Company received from an unconnected third party within six months prior to the Compulsory Sale Notice being served; and

13.1.5 taking account of any debt financing or loans which the Company may be subject to.

13.2 Having valued the Company as a whole, the Auditors or, as the case may be, independent accountants will determine the Market Value of the Shares concerned:

13.2.1 having deducted from the value of the Company as a whole (if not already taken into account when so valuing the Company) any arrears, accruals or deficiencies of dividend on Shares;

13.2.2 disregarding whether the Shares concerned represent a majority or a minority interest;

13.2.3 disregarding any disparity of voting rights between the different classes of Equity Shares.

- 13.3 The costs and expenses of the Auditors (or independent accountants) for reporting on their opinion of the Market Value will be borne jointly by the selling Shareholders and by the purchasing Shareholders pro-rata to the number of Sale Shares purchased by them unless none of the Sale Shares are purchased by Members pursuant to Article 14, in which case the selling Shareholders and the Company will pay all such costs and expenses jointly.

## 14. PRE-EMPTION

### *Sale Notices and Transfer Price*

- 14.1 Save for Permitted Transfers and as otherwise provided in these Articles, every Member who wishes to transfer ("**the Vendor**") any Shares shall give to the Company notice in writing of such wish ("**a Sale Notice**") specifying the number of Shares he wishes to transfer. Unless the A Directors shall consent otherwise a Member who wishes to transfer Shares pursuant to this Article shall only be able to transfer all the Shares held by such Member pursuant to this Article 14. A Compulsory Sale Notice or a Sale Notice will constitute the Company as the agent of the Compulsory Seller or the Vendor for the transfer of the Sale Shares in accordance with this Article 14 at the price determined in accordance with Article 12 ("**Transfer Price**"). In the event of a transfer of Shares pursuant to a Sale Notice the price shall be calculated in accordance with Articles 12.3 as if the Vendor was a Good Leaver and the Cessation Date was the date the Sale Notice was served. A Sale Notice may, with the consent of an A Director, (and shall if required by the A Directors) contain a provision (a "**Total Sale Condition**") that unless all of the Sale Shares are sold pursuant to the following provisions none shall be so sold and such provision shall be binding on all persons.

### *First offer to Company/EBT (at discretion of Board)*

#### 14.2

- 14.2.1 Within ten Business Days after the later of:

14.2.1.1 the service by an A Director of a Compulsory Sale Notice or the service on the Company of a Sale Notice; and

14.2.1.2 the determination of the Transfer Price,

the Board (subject to the approval of an A Director) may direct the Company (in its capacity as agent for the Seller) immediately to offer at the Transfer Price all of Sale Shares to:



14.2.1.3 unless the Sale Shares are D Shares, the Senior A Shareholders;  
and/or

14.2.1.4 the Company pursuant to the provisions of Part V of the Companies  
Act, and/or

14.2.1.5 an EBT; and/or

14.2.1.6 if the Sale Shares are D Shares, to all the Equity Shareholders who  
were Shareholders on the Commencement Date apart from a Junior  
A Shareholder.

14.2.2 If any offeree of the Sale Shares pursuant to Article 14.2 applies for any of  
them within ten Business Days after the date of the offer, the Company will  
allocate to such offeree the number of Sale Shares applied for on the later of:

14.2.2.1 the fifteenth Business Day following receipt of the Compulsory Sale  
Notice; and

14.2.2.2 the date on which the Transfer Price is determined.

14.2.3 If all of the Sale Shares are so allocated, the provisions of Articles 14.3 to  
14.5 will not apply. If none or only some of the Sale Shares are so allocated,  
the provisions of Articles 14.3 to 14.5 will have effect as if reference to Sale  
Shares was to those not allocated in accordance with this Article 14.

#### ***Offer to Members***

14.3 Subject to Article 14.2 (unless the A Directors permit the operation of Article 14.2 to  
be dispensed with), within 10 Business Days after the service by the A Directors of a  
Compulsory Sale Notice or (as the case may be) service on the Company of a Sale  
Notice or, where later, on the determination of the Transfer Price, the Company (in its  
capacity as agent for the Compulsory Seller) will give notice in writing to each of the  
Members (other than any Compulsory Seller and any Member in respect of whose  
Shares a Compulsory Sale Notice has previously arisen but who still holds Shares  
following the exhaustion of the pre-emption rights contained in this Article 14 in  
relation to such Compulsory Sale Notice and any B Shareholder) offering the Sale  
Shares (other than any allocated pursuant to Article 14.1) for sale at the Transfer  
Price in accordance with Article 14.4. The notice will specify that the Members will  
have a period of up to 40 Business Days from the date of such notice within which to  
apply for some or all of the Sale Shares.

### ***Pre-emption Procedure***

- 14.4 The Sale Shares will be offered to the holders of Equity Shares (other than the Compulsory Seller and any Member in respect of whose Shares a Compulsory Sale Notice has previously arisen but who still holds Shares following the exhaustion of the pre-emption rights contained in this Article 14 in relation to such Compulsory Sale Notice and any B Shareholder). If there is competition for the Sale Shares offered to Equity Shareholders (whether pursuant to Article 14.3 or Article 14.1), they shall be offered and, allocated among such holders of such Equity Shares in proportion (as nearly as possible) to their existing holdings of Equity Shares ("**Proportionate Entitlement**"). However, the offer will also invite such Members to indicate in their applications for Sale Shares, whether they would be willing to buy Shares in excess of their Proportionate Entitlement should any such Shares be available and, if so, how many ("**Extra Shares**").

### ***Allocation of Shares***

- 14.5 After the expiry of the offer period specified in Article 14.3, (or, if sooner, upon each Member having applied for the Sale Shares or confirmed that they do not wish to purchase any Sale Shares), the Board will allocate the Sale Shares as follows:
- 14.5.1 if the total number of Sale Shares applied for (including Extra Shares) is equal to or less than the available number of Sale Shares, each offeree will be allocated the number applied for in accordance with his application; or
  - 14.5.2 if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each offeree will be allocated his Proportionate Entitlement, or, if less, the number of Sale Shares which he has applied for; and
  - 14.5.3 applications for Extra Shares will be allocated in accordance with such applications or, in the event of competition, among those applying for Extra Shares in such proportions as equal (as nearly as possible) the proportions of all the Equity Shares held by such offerees.
- 14.6 Allocations of Sale Shares made by the Company pursuant to this Article 14 will constitute the acceptance by the persons to whom they are allocated of the offer to sell those Sale Shares on the terms offered to them, provided that no person will be obliged to take more than the maximum number of Sale Shares which he has indicated to the Company he is willing to purchase.

### ***Completion of sale and purchase of Sale Shares***

14.7 The Company will immediately upon allocating any Sale Shares (whether pursuant to Articles 14.2.1 or 14.2.2 or 14.5) give notice in writing ("**Allocation Notice**") to the Compulsory Seller and to each person to whom Sale Shares have been allocated specifying:

14.7.1 the number of Sale Shares so allocated;

14.7.2 the aggregate price payable for them; and

14.7.3 the place and time (being not later than five Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares will be completed.

Provided always that if the Sale Notice contained a Total Sale Condition the Compulsory Seller or Vendor shall not be obliged to sell any of the Sale Shares under this Article unless the Company shall have found purchasers for all of the Sale Shares.

14.8 Completion of the sale and purchase of Sale Shares in accordance with the Allocation Notice will take place at the place and time specified in the Allocation Notice when the Seller will, upon payment of the due price, transfer those Sale Shares specified in the Allocation Notice and deliver the relevant Share certificates to the persons to whom they have been allocated.

### ***Default by the Seller***

14.9 Except in the case of an acquisition of Sale Shares by the Company, if the Vendor or the Compulsory Seller fails by the due completion date to execute and deliver transfers in respect of any of the Sale Shares which he is due to transfer, the Board may (and, if requested by an A Director, will) authorise any Director to:

14.9.1 execute the necessary transfer(s) on the Vendor or Compulsory Seller's behalf; and

14.9.2 against receipt by the Company of the Transfer Price payable for the relevant Sale Shares (to be held on trust for the Compulsory Seller or Vendor without interest) (the receipt being a good discharge to the offeree who will not be bound to see to the application of it), deliver such transfer(s) to the relevant offeree(s).

The Board will authorise registration of the transfer(s), and of the offeree(s) as the holder(s) of the Sale Shares so transferred, once appropriate stamp duty has been

paid. After registration, the title of such offeree(s) as registered holder(s) of such Sale Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person.

- 14.10 In the case of an acquisition of Sale Shares by the Company, if the Compulsory Seller or Vendor fails by the due completion date to transfer and/or to deliver the certificates (or a suitable indemnity) in respect of any Sale Shares, the Board may (and will if requested by an A Director) authorise any Director to execute, complete and deliver the necessary transfer and/or indemnity to the Company on the Compulsory Seller's or Vendor's behalf. When that instrument has been duly stamped, the Company will ensure that such share capital is cancelled in accordance with the Companies Act, and will hold the purchase monies on trust (without interest) for the Compulsory Seller or Vendor.

***Exhaustion of pre-emption rights - rights and restrictions with regard to sale to third party***

- 14.11 Immediately after the exhaustion of any pre-emption process followed in accordance with these articles, if any Sale Shares remain unallocated, the Company will notify the Compulsory Seller or the Vendor of that fact in which event such Compulsory Seller shall be entitled to retain such Sale Shares (subject always to the provisions of these Articles) or the Vendor (as the case may be shall subject always to Article 12.1, be entitled to dispose of the Sale Shares but only to a third party who is approved by the A Directors (which approval may be withheld or given and with or without such conditions as the A Directors may , in each case, at their discretion, determine Provided that if the Sale Notice contained a Total Sale Condition the Compulsory Seller or Vendor shall not without the prior consent in writing of the A Directors be entitled to transfer any of the Sale Shares unless all of the Sale Shares are so transferred.
- 14.12 Any Sale Shares transferred to the holders of A Shares, B Shares, C Shares or D Shares shall upon completion of such transfer be converted to A Shares, B Shares, C Shares or D Shares respectively (as the case may be) to rank pari passu with the existing A Shares, B Shares, C Shares or D Shares. Where a Member holds more than one class of Share, the Sale Shares transferred to that Member shall be converted to A Shares, B Shares, C Shares and/or D Shares in proportion (as nearly as possible as the A Directors shall determine) to the number of A Shares, B Shares, C Shares and/or D Shares held by that Member prior to such transfer.

15. CHANGE OF CONTROL - DRAG ALONG RIGHTS AND TAG ALONG RIGHTS

15.1 For the purposes of this Article 15:

15.1.1 **"Approved Offer"** means a bona fide offer in writing by a third party that is not a Connected Person of any Equity Shareholder served on all Members holding Shares (including the proposing transferor), offering to purchase all the Shares held by such Members (including any Shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into Shares in existence at the date of such offer) which:

15.1.1.1 is stipulated to be open for acceptance for at least 15 Business Days;

15.1.1.2 offers the same or equivalent consideration for each Equity Share (whether in cash, securities or otherwise in any combination) regardless of the rights attaching to each respective Equity Share;

15.1.1.3 is on terms that the sale and purchase of Shares in respect of which the offer is accepted will be completed at the same time; and

15.1.1.4 is approved by the A Shareholders.

15.2 In the event that the holders of 60% or more of the A Shares sell, transfer or seek to sell or transfer all of their respective A Shares to any third party that is not a Connected Person of any Equity Shareholder ("**Relevant Transferee**") they shall have the right ("**Drag Along Right**") subject to an Approved Offer being made to require (in the manner set out in Article 15.2) all of the other holders of Equity Shares ("**Other Shareholders**") to accept the Approved Offer and to otherwise comply with the provisions of this Article 15 in full.

15.3 The Drag Along Right may be exercised by the service of notice to that effect on the Other Shareholders within five Business Days following the making of the Approved Offer.

15.4 On the exercise of the Drag Along Right, each of the Other Shareholders will be bound to accept the Approved Offer in respect of his or its entire holding of Equity Shares and to comply with the obligations assumed by virtue of such acceptance.

15.5 If any of the Other Shareholders fails to accept the Approved Offer or, having accepted such offer, fails to complete the sale of any of his Shares pursuant to the Approved Offer, or otherwise fails to take any action required of it under the terms of the Approved Offer, any holder of A Shares or any persons so authorised by the Board with the consent of the A Directors may accept the offer on behalf of the Other Shareholder in question, or undertake any action required under the terms of the Approved Offer on the part of the Other Shareholder in question. In particular, such person may execute the necessary transfer(s) on that Other Shareholder's behalf; and against:

15.5.1 receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the relevant Shares (the receipt being a good discharge to the Buyer, who will not be bound to see to the application of it); and

15.5.2 compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer,

deliver such transfer(s) to the Buyer (or its nominee). The Board will then authorise registration of the transfer(s) and of the Buyer (or its nominee) as the holder of the Shares so transferred. After registration, the title of the Buyer (or its nominee) as registered holder of such Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person. The Other Shareholder will in such a case be bound to deliver up its certificate for its Shares to the Company, or a statutory declaration of loss (as appropriate) whereupon the Other Shareholder will be entitled to receive the purchase price for such Shares.

15.6 With the exception of transfers of Shares pursuant to Article 11 (Permitted Transfers), no transfer of Shares which would result, if made and registered, in a person or persons Acting in Concert obtaining a Controlling Interest, will be made or registered unless:

15.6.1 an Approved Offer is made by the proposed transferee(s) ("**Buyer**") or, at the Buyer's written request, by the Company as agent for the Buyer; and

15.6.2 the Buyer complies in all respects with the terms of the Approved Offer at the time of completion of the sale and purchase of Shares pursuant to it.

## 16. CONVERSION

16.1 In the event that the Company repurchases any Shares whether pursuant to Article 14 or otherwise and as a consequence of such repurchase, the Specified Proportion

of all the B Shareholders exceeds 19.9% then upon notice being given to the B Shareholders by any A Shareholder, the Required Number B Shares as are held by the B Shareholders shall automatically, without further resolution of the Board or Members, convert to Deferred Shares.

- 16.2 For the purposes of Article 16.1 the Required Number of B Shares shall be the minimum number as is necessary to ensure that following the conversion provided for in Article 16.1 the Specified Proportion of all the B Shareholders does not exceed 19.9%. Each B Shareholder's holding of B Shares shall be converted pro-rata.

## **17. ELECTRONIC COMMUNICATION**

Regulation 1 is modified by deleting the definition given of "electronic communication" and substituting in its place the definition given in these articles.

## **18. SHARE CERTIFICATES**

Regulation 6 is modified by adding after "Every certificate shall be sealed with the seal" the words "or executed in such other manner as the Directors authorise, having regard to the Companies Act,".

## **19. LIEN**

- 19.1 Regulation 8 is modified by the deletion of the words "(not being a fully paid share)".
- 19.2 The lien conferred by Regulation 8 will apply to all Shares, whether fully paid or not, and to all Shares registered in the name of any person under a liability (whether actual or contingent), whether he is the sole registered holder of such Shares or one of two or more joint holders of such Shares.

## **20. GENERAL MEETINGS**

- 20.1 Regulation 37 is modified by the deletion of the words "eight weeks" and the substitution for them of the words "28 days", and by the insertion of the words "or an A Director acting alone" after the second word of that Regulation.
- 20.2 A general meeting may consist of a conference between Members, some or all of whom are in different places if each Member who participates is able:
- 20.2.1 to hear each of the other participating Members addressing the meeting;  
and

20.2.2 if he so wishes, to address all of the other participating Members simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when these articles are adopted or not) or by a combination of those methods.

A quorum is deemed to be present if those conditions are satisfied in respect of at least the number and class of Members required to form a quorum. A meeting held in this way is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. A resolution put to the vote of a meeting will be decided by each Member indicating to the chairman (in such manner as the chairman may direct) whether the Member votes in favour of or against the resolution or abstains. References in this Article 21 to Members includes their duly appointed proxies and, in the case of corporate members, their duly authorised representatives.

## **21. PROCEEDINGS AT GENERAL MEETINGS**

- 21.1 Regulation 40 is modified so that the quorum for any general meeting (other than a separate class meeting) will require at least one Senior A Shareholder present in person or by proxy unless the A Shareholders agree otherwise.
- 21.2 If any meeting is adjourned pursuant to Regulation 41 because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the shareholders present will form a quorum, provided that an A Shareholder is present in person or by proxy at the adjourned meeting. Regulation 41 is modified accordingly.
- 21.3 Regulation 46 is modified so that a poll may be demanded by the chairman or by any Member present in person or by proxy and entitled to vote at the meeting.
- 21.4 A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised is entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member.
- 21.5 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman will not be entitled to a casting vote in addition to any other vote which he may have. Regulation 50 will be modified accordingly.



- 21.6 Regulation 51 is amended by replacing the first and second sentences with the following words: "A poll demanded will be taken immediately".
- 21.7 Regulation 53 is modified by the addition of the following sentence at the end: "If such a resolution in writing is described as a special resolution or as an extraordinary resolution or as an elective resolution, it will have effect accordingly."

## **22. VOTES OF MEMBERS**

- 22.1 Regulation 54 is modified so that:
- 22.1.1 a proxy will be entitled to vote whether on a show of hands or on a poll; and
- 22.1.2 a duly authorised representative of a corporate Member will be entitled to vote on its behalf whether on a show of hands or on a poll, and whether or not such duly authorised representative is also a Member entitled to vote; and
- 22.1.3 it is subject to Article 12.5 and 26.6 .
- 22.2 Regulation 57 is modified by the inclusion after the word "shall" of the phrase ", unless the Directors otherwise determine,".
- 22.3 Regulation 59 is modified by the addition of the following sentence at the end: "Deposit of an instrument of proxy will not preclude a Member from attending and voting at the meeting or at any adjournment of the meeting."
- 22.4 Regulation 62 is modified by the deletion in paragraph (a) of the words "deposited at" and by the substitution for them of the words "left at or sent by post to" and by the insertion at the end of the penultimate sentence of the Regulation (after the word "invalid") of the words "unless a majority of the Directors (an A Director being part of that majority) resolve otherwise".

## **23. NUMBER OF DIRECTORS**

Unless and until otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) is not subject to any maximum and the minimum is one.

## 24. ALTERNATE DIRECTORS

- 24.1 No Directors other than any A Director or any B Director (in accordance with Articles 26.2 to 26.6 shall be entitled to appoint an alternative director and Regulation 65 of Table A shall be modified accordingly.
- 24.2 Any A Director or B Director may appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director. Regulation 65 is modified so that any such appointment does not need to be approved by resolution of the Directors. In Regulation 67 the words "but, if" and the words which follow to the end of the Regulation are deleted.
- 24.3 Regulation 66 is modified so that an alternate director who is absent from the United Kingdom is entitled to receive notice of all meetings of Directors and of committees of Directors of which his appointor is a member. An alternate director may waive the requirement that notice be given to him of a meeting of Directors or of a committee of Directors of which his appointor is a member, either prospectively or retrospectively.
- 24.4 The first sentence of Regulation 66 is modified so that an alternate director will not be entitled as such to receive any remuneration from the Company although he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as his appointor may direct by notice in writing to the Company.
- 24.5 An alternate director will be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director.
- 24.6 An alternate director's appointment will determine if he resigns by written notice left at or sent to the registered office of the Company.
- 24.7 A director, or any other person mentioned in Regulation 65, may act as an alternate director to represent more than one A Director, and an alternate director will be entitled at any meeting of the Board to one vote for every A Director whom he represents in addition to his own vote (if any) as a Director, but he will count as only one person for the purpose of determining whether a quorum is present.
- 24.8 Regulation 68 is modified by the addition at the end of the first sentence of the following sentence: "Any such notice may be left at or sent by post or facsimile transmission to the office or another place designated for the purpose by the Directors."

**25. DELEGATION OF DIRECTOR'S POWERS**

Regulation 72 is modified by the addition at the end of the Regulation of the following sentence: "Where a provision of these articles refers to the exercise of a power, authority or discretion by the Directors and that power, authority or discretion has been delegated by the Directors to a committee, the provision must be construed as permitting the exercise of the power, authority or discretion by the committee."

**26. APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 26.1 No person will be disqualified from being appointed a Director and no Director will be required to vacate that office by reason only of the fact that he has attained the age of 70 years or any other age.
- 26.2 A Director will not retire by rotation and a Director appointed to fill a vacancy or as an additional director will not retire from office at the annual general meeting next following his appointment. Regulations 73 to 77 (inclusive) and 80 will not apply to the Company, reference in Regulations 67, 78 and 84 to retirement by rotation will be disregarded and the last two sentences of Regulation 79 are deleted.
- 26.3 Regulation 81(e) will not apply to the A Directors.
- 26.4 Each A Shareholder may, as long as his Specified Proportion is 25%, or more by serving notice on the Company, appoint or remove one Director provided that if the A Shareholder so entitled to appoint an A Director, is already a Director of the Company, shall be deemed to be such A Shareholder's appointee. The B Shareholders may, by serving notice on the Company, appoint and remove one person to be the B Director. The maximum number of B Directors shall be one. Any notice in terms of this Article 26.4 shall be signed by or on behalf of the relevant Shareholder(s) (and may consist of several documents in similar form each signed by or on behalf of one or more holders) and must be left at or sent by post or fax to the registered office or such other place designated by the Directors for the purpose. Such removal or appointment will take effect when the notice is received by the Company or on such later date (if any) as may be specified in the notice. This Article 26.4 is not to be taken as depriving a person removed under it of compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as Director.
- 26.5 No person may be appointed as a Director unless he or she is approved by the A Shareholders.

- 26.6 On a resolution to remove an A Director from office which is proposed at a general meeting of the Company, if that A Director is also an A Shareholder, then the number of votes that such A Director who is also an A Shareholder may cast on such resolution shall be increased so that he shall have ten votes for every Share held by him. Regulation 54 shall be modified accordingly.

## **27. DISQUALIFICATION AND REMOVAL OF DIRECTORS**

The office of a Director will be vacated if:

- 27.1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a director;
- 27.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- 27.3 (other than in the case of an A Director) he becomes, in the reasonable opinion of all his co-Directors, on the advice of a suitably qualified medical practitioner, incapable by reason of mental disorder of discharging his duties as a Director;
- 27.4 he resigns his office by notice in writing to the Company;
- 27.5 (other than in the case of an A Director) he has for more than six consecutive months been absent without permission of the Directors from meetings of Directors held during that period and his alternate director (if any) has not during that period attended any such meetings instead of him, and the Directors resolve that his office be vacated; or
- 27.6 (other than in the case of an A Director) being an executive Director he ceases, for whatever reason, to be employed by any member of the Group.

## **28. COMMITTEES**

- 28.1 Without prejudice to Regulation 72 there will be a:
- 28.1.1 Remuneration Committee which will operate in accordance with the Shareholders Agreement;
- 28.1.2 Regulation 82 will not apply to the Company; and
- 28.1.3 Determination Committee.

**29. DIRECTORS' APPOINTMENTS AND INTERESTS**

- 29.1 Regulation 84 is modified by addition of the words: "with the consent of the A Shareholder" after the words "the directors" and before the words "may appoint" in the first sentence, and after the words "the directors" and before the word "determine" and after the words "as they" and before the words "think fit" in the second sentence.
- 29.2 Regulation 85 is modified by the addition of the words: "and except in the case of an A Director, to the consent of an A Director" after the words "provisions of the Act" and before the words", and provided that he has disclosed" in the first sentence.

**30. DIRECTOR'S GRATUITIES AND PENSIONS**

Regulation 87 is modified by the addition of the words: "with the consent of an A Director" after the words "The directors" and before the words "may provide benefits" in the first sentence.

**31. BORROWING POWERS**

The Directors may exercise all the powers of the Company (whether express or implied) to borrow and/or secure the payment of money, to guarantee the payment of money, the fulfilment of obligations and the performance of contracts and to mortgage or charge the property, assets and uncalled capital of the Company, and (subject to section 80 of the Companies Act) to issue debentures, debenture stock and all other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party not exceeding an aggregate sum of [●].

**32. PROCEEDINGS OF DIRECTORS**

- 32.1 At each validly constituted meeting of Directors, the Directors present shall elect a chairman who shall be one of the A Directors. In the case of an equality of votes, the chairman will not have a second or casting vote. Regulation 88 will be modified accordingly.
- 32.2 Regulation 88 is modified by the exclusion of the third sentence and the substitution for it of the following sentences: "Every Director will receive notice of a meeting, whether or not he is absent from the United Kingdom. A Director may waive the requirement that notice be given to him of a meeting of Directors or a committee of Directors, either prospectively or retrospectively" and by the addition of the word "not" between the words "shall" and "have" in the fourth sentence.

- 32.3 The quorum necessary for the transaction of business at any meeting of the Directors will be two of which one will be an A Director (unless otherwise agreed in writing by all the A Directors) Regulation 89 will be modified accordingly. If any meeting of the Directors is inquorate or becomes inquorate then it will be adjourned for the consideration of the same business until the same time and place the next following week. At that adjourned meeting, those Directors present will constitute a quorum, so long as an A Director is present (or agrees to the meeting proceeding without an A Director).
- 32.4 Any Director or alternate may participate in a meeting of the Board or a committee of the Directors by means of conference telephone or similar communications equipment if all persons participating in the meeting can hear and speak to each other throughout the meeting, and any Director or member of a committee participating in a meeting in this manner is deemed to be present in person at such meeting and will be counted when reckoning a quorum.
- 32.5 Without prejudice to the obligation of any Director to disclose his interest in accordance with section 317 of the Act, a Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty. The Director will be counted in the quorum present when any such resolution is under consideration and if he votes, his vote will be counted.

### **33. DIVIDENDS**

Regulation 103 is modified by the addition of the following words: "with the consent of the A Directors" after the words "the directors" in the first sentence.

### **34. NOTICES**

- 34.1 Any notice or other document to be served or delivered to or by any person pursuant to these articles (other than a notice calling a meeting of the Directors) shall be in writing and shall be delivered in accordance with Article 34.2.
- 34.2 Any notice or other document may only be served on, or delivered to, any Member by the Company or by any other Member:
- 34.2.1 personally;
- 34.2.2 by sending it through the post in a prepaid envelope addressed to the Member at his registered address (whether such address is in the United Kingdom or otherwise);

- 34.2.3 by delivery of it by hand to or leaving it at that address in an envelope addressed to the Member; or
- 34.2.4 except in the case of a share certificate and all notices served pursuant to Articles 16 to 18 and only if an address has been specified by the Member for such purpose, by Electronic Communication.
- 34.3 In the case of joint holders of a Share, all notices and other documents shall be given to the person named first in the register in respect of the joint holding, and notice so given shall be sufficient notice to all joint holders.
- 34.4 Any notice or other document may only be served on, or delivered to, the Company by anyone:
- 34.4.1 by sending it through the post in a prepaid envelope addressed to the Company or any officer of the Company at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company;
- 34.4.2 by delivering it by hand to its registered office or such other place in the United Kingdom as may from time to time be specified by the Company; or
- 34.4.3 if an address has been specified by the Company for such purpose (and in the case of an appointment of a proxy such address has been specified in a document or other communication referred to in Regulation 62), by Electronic Communication.
- 34.5 Any notice or other document (other than the appointment of a proxy):
- 34.5.1 addressed to the recipient in the manner prescribed by these articles shall, if sent by post, be deemed to have been served or delivered:
- 34.5.1.1 (if prepaid as first class) 24 hours after it was posted; and
- 34.5.1.2 (if prepaid as second class) 48 hours after it was posted;
- 34.5.2 not sent by post, but delivered by hand to or left at an address in accordance with these articles, shall be deemed to have been served or delivered on the day it was so delivered or left;
- 34.5.3 sent by Electronic Communication shall be deemed to have been served or delivered 24 hours after it was sent, and in proving such service it shall be sufficient to produce (in the case of a fax) a transaction report or log

generated by a fax machine which evidences the fax transmission and (in the case of an e-mail) a confirmation setting out the total number of recipients sent to or each recipient to whom the message was sent as the case may be.

34.6 Regulations 111, 112 and 115 will not apply to the Company.

### **35. INDEMNITIES**

Subject to the provisions of the Companies Act but without prejudice to any indemnity to which he may otherwise be entitled every Director alternate director secretary and other officer or employee of the Company will be indemnified out of the assets of the Company against any liability (other than any liability arising out of the Shareholders Agreement) sustained or incurred by him in defending any proceedings whether civil or criminal relating to his conduct as an officer or employee of the Company 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 Companies Act in which relief is granted to him by the Court. Regulation 118 will not apply to the Company.