

MBO 1994 LIMITED

(Registered in England No: 2963574)

NOTICE IS HEREBY GIVEN that an **EXTRAORDINARY GENERAL MEETING** of the Company will take place at Colechurch House, 1 London Bridge Walk, London SE1 2SS, on Thursday the 31st day of October 1996 at 16:30hrs to consider and if thought fit to pass the following Resolutions as Special Resolutions and or Ordinary Resolutions as designated.

1 Special Resolution

That the Company will approve and adopt the Regulations contained in the printed document now produced to the meeting and for the purpose of identification only signed by the chairman be and hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association.

2 Special Resolution

That pursuant to section 95(1) of the Companies Act 1985 (as amended) ("the Act") the Directors of the Company be and hereby authorised and empowered to allot equity securities (within the meaning of section 94 of the Act) pursuant to the general authority and power conferred by resolution 3 below as if Section 89 (1) of the Act did not apply to any such allotment provided that this authority and power shall, unless renewed varied or revoked expire on 31st December 1996 and provided that this power shall be limited to the allotment of equity securities to the persons whose particulars appear on the appendix "A" hereto signed for the purpose of identification only by the Chairman.

3. Ordinary Resolution

That for the purpose of and pursuant to Section 80 of the Companies Act 1985, as amended ("the Act") the Directors of the Company be and they are hereby generally and unconditionally authorised and empowered to exercise all the powers of the Company to allot relevant securities (as defined in the said Section 80) up to an



aggregate nominal amount of 49,998) to such persons at such time and upon such terms and conditions as they may determine (subject always to the Articles of Association of the Company) provided that this authority and power shall, unless renewed, varied or revoked, expire on 31st December 1996 and provided further that the Company may before such expiry make any offer, agreement or arrangement which would or might require relevant securities to be allotted after such expiry and the Directors of the Company may the allot relevant securities pursuant to any such offer, agreement or arrangement as if the authority and power hereby conferred had not expired.

Dated the 21st day of October 1996

On behalf of the Board

.....
Secretary

Note:

A member entitled to attend and vote at the meeting convened by this notice may appoint a proxy to attend and, on a poll, vote instead of them. A proxy has to be a member of the Company.

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

MBO 1994 Limited

(Adopted by Special Resolution on 31st October 1996)

Company Number:2963574

PRELIMINARY

1. (a) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (such Table being hereinafter called "**Table A**") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.
- (b) In these Articles the expression "**the Act**" means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

ALLOTMENT OF SHARES

2. (a) Shares which are comprised in the authorised share capital with which the Company is incorporated shall be under the control of the Directors who may (subject to Section 80 of the Act and to paragraph (d) below) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.
- (b) All shares which are not comprised in the authorised share capital with which the Company is incorporated and which the Directors

propose to issue shall first be offered to the Members in proportion as nearly as may be to the number of the existing shares held by them respectively unless the Company in General Meeting shall by Special Resolution otherwise direct. The offer shall be made by notice specifying the number of shares offered, and limiting a period (not being less than fourteen days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of that period, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period, accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any shares released from the provisions of this Article by any such Special Resolution as aforesaid shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms and in such manner as they think fit, provided that, in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the Members. The foregoing provisions of this paragraph (b) shall have effect subject to Section 80 of the Act.

- (c) In accordance with Section 91(1) of the Act Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.
- (d) The Directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital with which the Company is incorporated, at any time or times during the period of five years from the date of incorporation and the Directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

SHARES

- 3.1 The lien conferred by Clause 8 in Table A shall attach also to fully paid-up shares, and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he

shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company. Clause 8 in Table A shall be modified accordingly.

- 3.1.1 Ordinary shares will carry the right to vote but shall only be capable of being validly cast when registered in the name of a member of the company who is also at the time a poll is taken an employee of Sterling Brokers Limited (an Employee which expression shall include retained consultants and specifically Robin Packshaw)
- 3.1.2 Where in a meeting a vote is taken on a show of hands and no poll is demanded or where a vote is taken on a show of hands before a poll is demanded no member shall be entitled to vote on a show of hands unless that member is then an Employee nor shall a member who is not an Employee be required to be given notice of or permitted to attend or to speak at any meeting and the rights conferred by and upon the Ordinary shares and their holders shall be limited accordingly
- 3.1.3 A member who is an Employee may appoint a proxy to attend and vote and the proxy may speak at the meeting but no person may be appointed a proxy unless that person is both a member of the company and an Employee
- 3.1.4 The Chairman of the meeting may notwithstanding the foregoing and in his absolute discretion cast the votes of any member who is not then an Employee and he is deemed for the purpose of these articles to have been irrevocably appointed as the proxy of such member with absolute discretion as to voting
- 3.1.5 No shares may be issued to or transferred to any person other than employee or Vera Clayton who shall be entitled to subscribe for not more than ten per cent of the company's initial issued share capital but who shall not be entitled to subscribe for or receive by allotment or transfer any further shares and who shall in the event of her death or bankruptcy or any application to register her shares in the name of any other person be treated in relation to her shares in like manner to an Employee on such Employee having left the employ of Sterling Brokers Limited as provided in clauses 3.2 3.3 and 3.4 hereof
- 3.2. When a member wishes to transfer his shares dies otherwise ceases to be an Employee or becomes bankrupt it shall be deemed that he shall have offered to sell his shares to the following persons in the following order:
 - 3.2.1 The Company or if the Company acting on a resolution of its board of directors shall decline to purchase then
 - 3.2.2 Such other persons as the board of directors of the Company shall direct

- 3.3 The offer to sell shall be deemed to be an irrevocable offer unlimited in time to sell the shares at a price to be determined by the company's auditors to be the asset value at either :
- 3.3.1 the date the offer was deemed to have been made or
 - 3.3.2 the accounts date next following 3 months from the expiry of the offer
 - 3.3.3 in either case whichever shall be the lower
- 3.4 Pending such sale the member shall continue to be entitled to receive any dividend declared to be due on the class of shares he holds but shall not be entitled to receive any further shares either on an allotment of shares by the company nor shall the member be entitled to be offered the shares of any other member who shall wish to sell or who shall cease to be an Employee
- 3.5 The provisions of regulation 24 of Table A shall not apply and the directors may in their absolute discretion and without assigning reasons therefor refuse to register the transfer of any share whether or not it is fully paid
4. 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 Clause 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

GENERAL MEETINGS AND RESOLUTIONS

5. (a) A notice convening a General Meeting shall be required to specify the general nature of the business to be transacted only in the case of special business and Clause 38 in Table A shall be modified accordingly.

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 declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors, and the appointment of, and the fixing of the remuneration of, the Auditors.

- (b) Every notice convening a General Meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company.

6. (a) Clause 40 in Table A shall be read and construed as if the words "at the time when the Meeting proceeds to business" were added at the end of the first sentence.
- (b) If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine; and if at the adjourned General Meeting a quorum is not present within half an hour from the time appointed therefor such adjourned General Meeting shall be dissolved.
- (c) Clause 41 in Table A shall not apply to the Company.

APPOINTMENT OF DIRECTORS

7. (a) Clause 64 in Table A shall not apply to the Company.
- (b) The maximum number and minimum number respectively of the Directors may be determined from time to time by Ordinary Resolution in General Meeting of the Company. Subject to and in default of any such determination there shall be no maximum number of Directors and the minimum number of Directors shall be one. Whensoever the minimum number of the Directors shall be one, a sole Director shall have authority to exercise all powers and discretions by Table A and by these Articles expressed to be vested in the Directors generally, and Clause 89 in Table A shall be modified accordingly.
- (c) The Directors shall not be required to retire by rotation and Clauses 73 to 80 (inclusive) in Table A shall not apply to the Company.
- (d) No person shall be appointed a Director at any General Meeting unless either:-
- (i) he is recommended by the Directors; or
- (ii) not less than fourteen nor more than thirty-five clear days before the date appointed for the General Meeting, notice executed by a Member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment, together with notice executed by that person of his willingness to be appointed.
- (e) Subject to paragraph (d) above, the Company may by Ordinary

Resolution in General Meeting appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.

- (f) The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number determined in accordance with paragraph (b) above as the maximum number of Directors and for the time being in force.
- (g) The Board shall at all times (provided that there shall be persons of that description willing to so act) include the Chairman from time to time and one other executive director of Sterling Brokers Limited along with at least one other person who is not a member of the Sterling Brokers Limited Board but nothing herein shall in any way affect the right of the company to operate without the appointment of such persons if there are none or none willing to act
- (h) The Board shall elect a director to act as Chairman who must be an executive director of Sterling Brokers Limited and that appointment shall continue for the term of three years unless the company shall resolve at an Annual General Meeting to appoint another person as Chairman and such other person shall be willing to act as Chairman

BORROWING POWERS

- 8. The Directors may exercise but to the extent that such borrowing exceeds ten thousand pounds only for the purpose of acquiring the share capital of Sterling Brokers Limited and or its loan stock or for the purchase by the company of its own shares and for no other purpose all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to Section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

ALTERNATE DIRECTORS

- 9. (a) An alternate Director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in

writing to the Company from time to time direct, and the first sentence of Clause 66 in Table A shall be modified accordingly.

- (b) A Director, or any such other person as is mentioned in Clause 65 in Table A, 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.

DISQUALIFICATION OF DIRECTORS

- 10. The office of a Director shall be vacated if he becomes incapable by reason of illness or injury of managing and administering his property and affairs, and Clause 81 in Table A shall be modified accordingly.

GRATUITIES AND PENSIONS

- 11. (a) The Directors may exercise the powers of the Company conferred by Clause 3(t) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.
- (b) Clause 87 in Table A shall not apply to the Company.

PROCEEDINGS OF DIRECTORS

- 12. (a) A Director may vote, at any meeting of the Directors or of any committee of the Directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.
- (b) Clauses 94 to 97 (inclusive) in Table A shall not apply to the Company.

NOTICES

- 13. Clause 115 in Table A shall be read and construed as if the words "unless the contrary is proved" were omitted therefrom.

INDEMNITY

14. (a) Every Director or other officer 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.
- (b) Clause 118 in Table A shall not apply to the Company.