

**THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF**

FASTNET GROUP LIMITED

(Company Number: 3015466)

(Adopted by special resolution on 27 January 1999;

Amended by special resolutions dated 23 March 2009 and 20 June 2012)

Preliminary

- 1 In these articles
- 1 1 'the Act' means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force
- 1 2 'Table A' means Table A in the Companies (Tables A-F) Regulations 1985 as amended by the Companies (Tables A-F) (Amendment) Regulations 1985
- 1 3 'Relevant Directors' means Ian Christopher Brown, Malcolm McGougan and Andrew Walsh and their connected persons (as defined in Section 839 Income and Companies Taxes Act 1988)
- 1 4 'Equity Share Capital' means the 'A' ordinary share and the ordinary shares
- 1 5 The word 'emoluments' shall include all salary and all items set out in paragraph 1(4) of Schedule 6 of the Act but shall exclude any sum paid by way of compensation for loss of office or the commission and bonus payments not exceeding £45,000 per annum in aggregate payable to Malcolm M McGougan
- 1 6 Where any amount is state to be Index Linked it shall be adjusted annually on 30 June each year commencing on 30 June 1996 by a percentage equal to the percentage increase in the retail price index published by the Government to 31 May in the year in question from 31 May in the previous year

Table A

- 2 1 The regulations contained in or incorporated in Table A shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent herewith and such regulations

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(save as so excluded varied or inconsistent) and the articles hereinafter contained shall be the regulations of the Company

- 2.2 Regulations 54, 73-80 (inclusive), 85, 86, 94-98 (inclusive) and 118 of Table A shall not apply to the Company

Share Capital

- 3 The share capital of the Company is £442,669.09 divided into 1,587,500 "A" preference shares of 1p each, 100,000 "B" preference shares of £1 each, 210,309 "A" ordinary shares of 1p each, 289,691 ordinary shares of £1 each and 35,000 "C" preference shares of £1 each

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

3.1 Income

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

3.1.1 First -

- (a) in relation to the period from 1 January 1999 up to the 31 December 2000, in paying to the holders of the 'A' preference shares a fixed cumulative preferential net cash dividend (hereinafter in these articles referred to as 'the 'A' Preference Dividend') of 3.15 pence per annum on each share payable half yearly on 30 June in the year in question and 31 December in the year in question the first such payment to be made on 30 June 1999, and
- (b) in relation to the period subsequent to the 1 January 2001, a cumulative preferential net cash dividend (hereinafter in these articles referred to as 'the 'A' Preference Variable Dividend') equal to 30% of the Net Profit (calculated as provided in 3.1.6 below) of the Company and its subsidiaries for the calendar year ended 31 December 2001 and each subsequent calendar year PROVIDED that the minimum dividend shall be 3.15 pence per annum on each share and that the maximum dividend payable shall be 10 pence per annum on each share during such period, such dividend shall be in three instalments, the first of which shall be 1.575 pence on each share and shall be payable half yearly on 30 June in the year in question and the second of which shall be 1.575 pence on each share and shall be payable on 31 December in the year in question, the balance (if any) shall be payable 4 months after the end of the financial year of the company which is running at the end of the calendar year in question. The first instalment payment is to be made on 30 June 2001

- 3 1 2 Second in paying the holders of the 'B' preference shares a fixed cumulative preferential net cash dividend (hereinafter in these articles referred to as "the 'B' Preference Dividend") of 10 pence per annum on each share accruing from the 1 January 2001 payable half yearly on 30 June in the year in question and 31 December in the year in question the first such payment to be made on 30 June 2001
- 3 1 3 Third in paying to the holders of the 'C' preference shares a fixed cumulative preferential net cash dividend (hereinafter referred to as "the 'C' Preference Dividend") of 6 pence per annum on each share accruing from the 1 January 2001 payable half yearly on 30 June in the year in question and 31 December in the year in question the first such payment to be made on 30 June 2001
- 3 1 4 Fourth, subject to the redemption of all the 'A' preference shares the 'B' preference shares and the 'C' preference shares, in paying to the holders of the 'A' ordinary shares as a class in respect of each calendar year of the Company a cumulative preferential net cash dividend (hereinafter in these articles referred to as 'the Participating Dividend') of a sum equal to 9% of the Net Profit (calculated as provided in 3 1 6 below) of the Company and its subsidiaries earned in the relevant calendar year
- 3 1 5 The Participating Dividend (if any) shall be paid not later than 4 months after the end of each successive accounting reference period of the Company or not later than 14 days after the audit report on the accounts of the Company for such period is signed by the Company's auditors, whichever is earlier
- 3 1 6 For the purpose of calculating 'A' Preference Variable Dividend and the Participating Dividend, the expression 'Net Profit' shall mean the profit on ordinary activities after taxation of the Company and its subsidiaries calculated on the historical cost accounting basis and shown in the audited consolidated profit and loss account of the Company and its subsidiaries for the relevant financial year (to the nearest £1) but adjusted by -
- 3 1 6 1 adding back any payment or provision which has been made for any dividend on any share in the capital of the Company or any of its subsidiaries or for any other distribution or for the transfer of any sum to reserve and any amortisation of goodwill,
- 3 1 6 2 disregarding extraordinary items,

- 3 1 6 3 adding back any amount in excess of £225,000 Index Linked in the aggregate charged in respect of emoluments payable to Relevant Directors

Where the financial year of the Company does not end on the 31st December then the profits for the relevant calendar year shall be calculated by taking the pro rata proportion of the profits for the financial year which ends during the relevant calendar year and the pro rata proportion of the profits for the financial year which commences during the relevant calendar year

- 3 1 7 No dividend shall be declared or paid to the holders of ordinary shares until all the 'A' preference shares have been redeemed and thereafter no dividend shall be declared or paid to the holders of ordinary shares in respect of any financial year of the Company without the prior written consent of the holders of at least 75% of the 'A' ordinary shares (such consent not to be unreasonably withheld) unless and until -

- 3 1 7 1 the 'A' Preference Dividend, 'A' Preference Variable Dividend if any, and the Participating Dividend (if any) have been paid in full in respect of that financial year and in respect of all previous financial years of the Company;

But subject thereto and provided that the aggregate of the total amount of all dividend payments made or proposed to be made in respect of that financial year and the Excess Remuneration (as defined above) does not exceed one third of the amount of the profits after taxation of the Company and its subsidiaries for such financial year calculated on the historical cost account basis as shown in the audited consolidated profit and loss account of the Company and its subsidiaries (to the nearest £1) and provided that the profits of the Company available for distribution as shown in the audited consolidated profit and loss account of the company and its subsidiaries are not less than £700,000 the profits which the Company may determine to distribute in respect of any financial year shall be applied -

- 3 1 7 2 First in paying to the holders of the ordinary shares a dividend ('the Initial Ordinary Dividend') on each share of the amount up to but not exceeding the Participating Dividend paid on each 'A' ordinary share for such year,
- 3 1 7 3 Second with the prior written consent of the holders of at last 75% of the 'A' ordinary shares in distributing the balance of such profits amongst the holders of the 'A' ordinary shares and the ordinary shares (pari passu as if the same constituted one class of share)

- 3.1.8 Every dividend shall be distributed to the appropriate shareholders pro-rata according to the amounts paid up or credited as paid up on the shares held by them respectively and shall accrue on a daily basis
- 3.1.9 Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act the 'A' Preference Dividend, the 'A' Preference Variable Dividend and the 'B' Preference Dividend and the Participating Dividend shall (notwithstanding regulations 102 to 108 inclusive contained in Table A or any other provision of these articles and in particular notwithstanding that there has not been a recommendation of the directors or resolution of the Company in general meeting) be paid immediately on the due date and if not then paid shall be a debt due by the Company and be payable in priority to any other dividend provided that if due to delays in the preparation of the audited accounts of the Company the Participating Dividend cannot be calculated by the date it is due for payment then there shall be paid forthwith an interim dividend in respect of the Participating Dividend of a sum equal to the last Participating Dividend payable. The next and (if appropriate) any subsequent Participating Dividend shall be adjusted to take account of any overpayment or underpayment in respect of the said interim dividend which becomes apparent when the audited accounts are available
- 3.1.10 The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time and to the extent that it may lawfully do so declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of any redemption moneys due on the 'A' preference shares and the 'B' Preference Shares and the 'A' Preference Dividend, 'A' Preference Variable Dividend and the 'B' Preference Dividend the 'C' Preference Dividend and the Participating Dividend
- 3.1.11 For the avoidance of doubt all dividends which accrued and/or would have been payable by the Company to the holders of the 'B' Preference Shares and the 'C' Preference Shares in accordance with the Articles of Association adopted by the Company on the 15 July 1995, in relation to the period up until 31 December 1998 shall be and remain payable to such holders but shall only be paid as and when the Company has paid all dividends due in relation to the 'A' preference shares and the 'A' ordinary shares which have become due prior to the date of such payment and provided always that no such payment shall be made in any event before the 31 December 2000. Furthermore, the 'B' Preference Dividend shall be paid in priority to the 'C' Preference Dividend

3.1 Capital

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of liabilities shall be applied as follows.-

- 3 2 1 first in paying to the holders of the 'A' preference shares £1 per share together with a sum equal to any arrears or accruals of the 'A' Preference Dividend and the 'A' Preference Variable Dividend calculated down to the date of the return of capital,
- 3 2 2 second in paying to the holders of the 'B' preference shares £1 per share together with a sum equal to any arrears or accruals of the 'B' Preference Dividend calculated down to the date of the return of capital,
- 3 2 3 third in paying to the holders of the 'A' ordinary shares of £1 per share together with a sum equal to any arrears or accruals of the dividends on the 'A' ordinary shares calculated down to the date of the return of capital,
- 3 2 4 fourth in paying to the holders of the 'C' preference shares £1 per share together with a sum equal to any arrears or accruals of the 'C' Preference Dividend calculated down to the date of the return of capital, and
- 3 2 5 fifth in paying to the holders of ordinary shares £1 per share; and
- 3 2 6 the balance of such assets shall be distributed amongst the holders of the 'A' ordinary shares and ordinary shares (pari passu as if the same constituted one class of share) in proportion to the amounts paid up or credited as paid upon on the 'A' ordinary shares held by them respectively

3.3. Conversion of 'A' Ordinary Shares

The holders of the 'A' ordinary shares may at any time convert the whole of their 'A' ordinary shares into a like number of ordinary share and the following provisions shall have effect -

- 3 3 1 the conversion shall be effected by notice in writing given to the Company signed by the holders of at least 75% of the 'A' ordinary shares and the conversion shall take effect immediately upon the date of delivery of such notice to the Company unless such notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled in which case conversion shall take effect when such conditions have been fulfilled,
- 3 3 2 forthwith after conversion takes effect the holders of the ordinary shares resulting from the conversion shall send to the Company the certificates in respect of their respective holdings of 'A' ordinary shares and the Company shall issue to such holders respectively certificates for the ordinary shares resulting from the conversion,

- 3 3 3 the ordinary shares resulting from the conversion shall rank from the date of conversion pari passu in all respects with the other ordinary shares in the capital of the Company,
- 3 3 4 on the date of conversion the Company shall pay a dividend to the holders of the 'A' ordinary shares of a sum equal to any arrears or accruals of the dividends on the 'A' ordinary shares calculated on a daily basis to the date of conversion and the Participating Dividend shall be calculated pro rata according to the profits of the Company and its subsidiaries for the relevant financial year down to the date of such conversion such profits to be calculated by the Company on a basis reasonably acceptable to the holders of at least 75% of the 'A' ordinary shares,

3.4 Redemption of 'A' preference shares and 'B' preference shares and 'C' preference shares

- 3 4 1 Subject to the provisions of the Act the 'A' preference shares shall be redeemed in the proportions and on the dates set out below -

Redemption date	Number of shares redeemable
31/12/2001	317,500
30/6/2002	317,500
31/12/2002	317,500
30/6/2003	317,500
31/12/2003	317,500

and any shares not redeemed upon the due date shall be redeemed forthwith upon redemption becoming permissible under the Act

- 3 4 2 Subject to the provisions of the Act and provided all of the 'A' preference shares which are then due for redemption have been redeemed and the 'A' Preference Dividend, 'A' Preference Variable Dividend and the Participating Dividend (if any) have been paid in full in respect of that financial year and in respect of all previous financial years of the Company the 'B' preference shares and the 'C' preference shares shall be redeemed as follows -

Redemption date	Amount	Claim
30/06/2003	£50,000	"B" preference shares
30/06/2003	£17,500	"C" preference shares

31/12/2003	£50,000	"B" preference shares
31/12/2003	£17,500	"C" preference shares

provided always that in the event that the Company is unable to redeem the "B" preference shares and the "C" preference shares which are due to be redeemed on any date then the Company shall repurchase the "B" preference shares first

- 3 4 3 Subject to the provisions of the Act the Company may with the prior written consent of the holders of at least 75% of the 'A' preference shares (such consent not to be unreasonably withheld) and provided there are not arrears of dividend on the 'A' ordinary shares or 'A' preference shares redeem all or (in instalments of not less than 50,000 share) some of the 'A' preference shares in advance of the due date for redemption and in the absence of any contrary agreement between such holders and the Company any partial early redemption shall be deemed to relate to the shares falling due for redemption in inverse order of maturity
- 3 4 4 Subject to the provisions of the Act all of the 'A' preference shares the 'B' preference shares and 'C' preference shares shall (unless the holders of at least 75% of the 'A', 'B' and 'C' preference shares give notice in writing to the Company to the contrary) be redeemed immediately upon any of the following dates -
- 3 4 4 1 the date upon which any of the equity share capital of the Company is admitted to the Official List of the Stock Exchange or permission for any of the equity share capital of the Company to be dealt in on the Alternative Investment Market or any other recognised investment exchange (as defined in section 207 of the Financial Services Act 1986) becomes effective, or
- 3 4 4 2 the date upon which a successful offer to purchase 90% or more of the issued equity share capital of the Company (or 90% or more of all such capital including any already held by the offeror) is completed
- 3 4 5 On the dates fixed for any redemption the Company shall pay to each registered holder of 'A' preference shares 'B' preference shares or 'C' preference share the amount payable in respect of such redemption and upon receipt of that amount each such holder shall surrender to the Company the certificate for his shares which are to be redeemed in order that they may be cancelled provided that if any certificate so surrendered includes any share not redeemable at that time the Company shall issue a fresh certificate for the balance of the shares not redeemable to the holder If there is more than one holder of 'A' preference shares 'B'

preference shares and 'C' preference shares any redemption shall be made among such holders pro rata (as nearly as may be) to their respective holdings

- 3 4 6 The Company shall pay on each of the 'A' preference shares and on each of the 'B' preference shares and 'C' preference shares so redeemed the sum of £1 and shall contemporaneously pay any arrears or accruals of the 'A' Preference Dividend the 'B' Preference Dividend' and the 'C' Preference Dividend calculated to the date of redemption and in the absence of any direction to the contrary by the holder of the relevant 'A' preference share or 'B' preference share or 'C' preference share any moneys paid on redemption of such share shall relate first to the said arrears and accruals of 'A' Preference Dividend and the 'B' Preference Dividend and the 'C' Preference Dividend The 'A' Preference Dividend and the 'B' Preference Dividend and the 'C' Preference Dividend shall cease to accrue from the date of payment of the relevant redemption moneys

Class Rights

- 4 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of at least 75% of the issued shares of that class Without prejudice to the generality of this article, the special rights attached to the 'A' preference shares and/or the 'A' ordinary shares shall be deemed to be varied
- 4 1 by the grant of any option or other right to subscribe for shares and by any alteration or reduction or sub-division or consolidation of the authorised or issued capital of the Company or of any of its subsidiaries, or any variation of the rights attached to any of the shares for the time being in the capital of the Company or of any of its subsidiaries, or
- 4 2 by the disposal of the undertaking of the Company or of any of its subsidiaries or any substantial part thereof or by the disposal of any share in the capital of any subsidiary of the Company such consent not to be unreasonably withheld, or
- 4 3 by the acquisition of any interest in any share in the capital of any company by the Company or any of its subsidiaries such consent not to be unreasonably withheld, or

- 4 4 by the application by way of capitalisation of any sum in or towards paying up any debenture or debenture stock of the Company, or
- 4 5 by any alteration of the restrictions on the powers of the directors of the Company and its subsidiaries to borrow give guarantees or create charges, or
- 4 6 by the winding up of the Company such consent not to be unreasonably withheld, or
- 4 7 by the redemption of any of the Company's shares (otherwise than pursuant to these articles) or by the entering into of a contract by the Company to purchase any of its shares, or
- 4 8 by any alteration of the Company's memorandum or articles of association, or
- 4 9 by any alteration of the Company's accounting reference date, or
- 4 10 by the entering into of a written service agreement with any director or their connected persons (as defined in section 839 Income and Corporation Taxes Act 1988) other than those which have been approved in writing by the holders of 75% of the 'A' ordinary shares or the material variation of any such existing service agreement with any such person, or
- 4 11 by the calling of a meeting of the Company to effect or approve any matter which would by virtue of this article be a variation of the class rights of the 'A' ordinary and/or 'A' preference shares and/or the 'B' preference shares, or
- 4 12 by the appointment of a director pursuant to article 14 or otherwise either to fill a vacancy or as an additional director

5. Further Issues of Shares

- 5 1 The directors are unconditionally authorised for the purposes of section 80 of the Companies Act 1985 and the Company's Articles of Association to allot and dispose of or grant options over any relevant securities (as defined in section 80(2) of the Companies Act 1985) to such persons, on such terms and in such manner as they think fit, up to an aggregate nominal amount of £2,191 at any time or times during the period of five years from the date on which these Articles are adopted

- 5 2 The authority contained in paragraph 2 above shall enable the directors to allot relevant securities after the expiry of the said period of five years pursuant to an offer or agreement made by the Company before the expiry of the said period.
- 5 3 Sub-section (1) of section 89 of the Companies Act 1985 and sub-sections (1) to (6) inclusive of section 90 of that Act shall be excluded from applying to the company in relation to any issue of shares pursuant to the authority granted in Article 5 1 above provided such allotment takes place within five years of the date on which this resolution was passed
- 5 4 Notwithstanding any other provisions of these articles the directors shall be bound to offer to any member the 3i Group (as hereinafter defined) for the time being holding shares in the capital of the Company such a proportion of any shares forming part of the equity share capital of the Company which the directors determine to issue as the aggregate nominal value of shares in the equity share capital of the Company for the time being held by such member of the 3i Group bears to the total issued equity share capital of the Company immediately before the issue of the shares Any shares issued to a member of the 3i Group pursuant to such offer shall be issued upon no less favourable terms and conditions than those issued to any other person and so that such shares shall at the request of 3i be registered in the name or names of any one of more members of the 3i Group
- 5 5 For the purposes of these articles the expressions '3i' shall mean 3i Group plc and 'a member of the 3i Group' shall mean 3i Group plc, any subsidiary of 3i Group plc, and any company of which 3i Group plc is a subsidiary

Lien

- 6 The lien conferred by regulation 8 of Table A shall apply to all shares of the Company whether fully paid or not and to all shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of several joint holders

Calls

- 7 The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 in Table A of the words ' and all expenses that may have been incurred by the Company by reason of such non-payment'

Transfer of Shares

- 8 The directors shall refuse to register any transfer of shares made in contravention of the provisions of these articles but (subject to Regulation 24 of Table A) shall not otherwise be entitled to refuse to register any transfer of shares. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these articles, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question.
- 9 Notwithstanding any other provision in these articles any member may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any shares held by him to a Privileged Relation. For the purposes of these articles 'Privileged Relation' in relation to a member means the spouse or widow or widower of the member and the member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member's children.
- 9 1 If any person (an 'Employee Member') ceases to be an employee or director of the Company or its subsidiaries, and does not forthwith become or continue to be an employee or director of any of the Company or its subsidiaries Transfer Notices (as hereinafter defined) shall be deemed to have been served forthwith upon such cessation in respect of
- 9 1 1 all shares held by the Employee Member, and
- 9 1 2 all shares originally held by the Employee Member but held by his Privileged Relations at the time of such cessation
- 10 1 1 if a Transfer Notice (as hereinafter defined) is deemed to be served in accordance with Article 9 1 above the Company shall unless the Company and the holders of 75 per cent in nominal value of the 'A' ordinary shares shall agree otherwise offer the Sale Shares (as defined in Article 10 2 below) for purchase at the Sale Price (as defined in Article 10 2 below) to such person or persons appointed to replace the Employee Member as shall be nominated for this purpose by the board of directors of the Company (collectively a "Nominated Purchaser") and the provisions of Article 10 5 shall apply mutatis mutandis. If no Nominated Purchaser has been nominated within 180 days after the date on which a Transfer Notice is served or

deemed to have been served the Sale Shares shall be offered to the holders of Equity Shares (as defined in Article 10 2 below) in accordance with the provisions of Article 10 2,

10 1 2 where the provisions of Article 10 1 1 above apply the Sale Price shall be redetermined at eight weekly intervals until such time as a Nominated Purchaser shall have been nominated

10 2 Save as otherwise provided in these articles every member who desires to transfer any shares (hereinafter called 'the Vendor') shall give to the Company notice in writing of such desire (hereinafter called a 'Transfer Notice') Subject as hereinafter mentioned a Transfer Notice shall constitute the Company the Vendor's agent for the sale of the shares specified therein (hereinafter called the 'Sale Shares') in one or more lots at the discretion of the directors to all the holders of 'A' ordinary and ordinary shares in the Company (such shares being hereinafter in this article referred to as 'Equity Shares') other than the Vendor at the Sale Price The Sale Price shall be the price agreed by the Vendor and the directors or if the Vendor and the directors are unable to agree a price within 28 days of the Transfer Notice being given or being deemed to have been given the price which a chartered accountant (acting as an expert and not as an arbitrator) nominated by agreement between the Vendor and the Company or in default of such agreement by the President for the time being of the Institute of Chartered Accountants in England and Wales shall by writing under his hand certify to be in his opinion a fair value thereof on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to the Sale of Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction The Transfer Notice may save for shares sold pursuant to a deemed Transfer Notice contain a provision that unless all the shares comprised therein are sold by the Company pursuant to this article none shall be sold (a 'Total Transfer Condition') and any such provision shall be binding on the Company

10 3 If a chartered accountant is asked to certify the fair value as aforesaid his certificate shall be delivered to the Company and as soon as the Company receives the certificate it shall furnish a certified copy thereof to the Vendor and save for shares sold pursuant to a deemed Transfer Notice the Vendor shall be entitled by notice in writing given to the Company within ten days of the service upon him of the certified copy to cancel the Company's authority to sell the Sale Shares The cost of obtaining the certificate shall be borne by the Company unless the Vendor shall give notice of cancellation as aforesaid in which case the Vendor shall bear the cost

- 10 4 Upon the price being fixed as aforesaid and provided the Vendor shall not give a valid notice of cancellation the Company shall forthwith offer the Sale Shares to all holders of Equity Shares (other than the Vendor) pro rata as nearly as may be in proportion to the existing numbers of Equity Shares held by such members giving details of the number and the Sale Price of such Sale Shares. The Company shall invite each such member as aforesaid to state in writing within twenty one days from the date of the notice whether he is willing to purchase any of the Sale Shares so offered to him and if so the maximum thereof which he is willing to purchase. If at the expiration of the said period of twenty one days there are any Sale Shares offered which any of the members hereinbefore mentioned have not so stated their willingness to purchase the Company shall offer such shares to such members as have stated in writing their willingness to purchase all the shares previously offered to them. Such remaining shares shall be offered pro rata as nearly as may be in proportion to existing numbers of Equity Shares then held by such members which offer shall remain open for a further period of twenty one days. Offers shall continue to be made on the same terms while any member continues to state in writing his willingness to purchase all the shares offered to him.
- 10 5 If the Company shall pursuant to the above provisions of this article find a member or members of the Company willing to purchase all or any of the Sale Shares the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons provided that if the Sale Shares were subject to a Total Transfer Condition such sale must be of all the Sale Shares and not part only. If the Vendor shall make default in so doing the Company shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the sale Shares as shall have been transferred to them as aforesaid.
- 10 6 If the directors shall not have found a member or members of the Company willing to purchase all of the Sale Shares pursuant to the foregoing provisions of this article the Vendor shall at any time within six months after the final offer by the Company to its members be at liberty to sell and transfer such of the Sale Shares as have not been so sold to any person at a price being no less than the Sale Price provided that if the sale Shares were subject to a Total Transfer Condition such sale must be of all the Sale Shares and no part only.
- 10 7 If a member being a company ceases to be within the control (as such term is defined by Section 840 of the Income and Corporation Taxes Act 1988) of the person(s) who controlled

such company on the date on which it became a member of the Company or on the date of adoption of these articles (whichever shall be the later) it shall be deemed to have immediately given a Transfer Notice in respect of all the shares as shall then be registered in its name, provided that this sub-article shall have no application to 3i or to any member of the 3i Group

10.8 The foregoing provisions of this article shall not apply to a transfer if the holders of at least 75% of the ordinary shares and the holders of at least 75% of the 'A' ordinary shares so direct in writing and the directors shall be obliged to register any such transfer

11 Notwithstanding any other provisions of these articles a transfer of any shares in the Company held by any member of the 3i Group may be made between the member in the 3i Group holding such shares and any other member in the 3i Group without restriction as to price or otherwise and any such transfer shall be registered by the directors

12 Limitation on transfer of control

12.1 No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered without the consent in writing of the holders of at least 75% of the 'A' ordinary shares if as a result of such sale or transfer and registration thereof a Controlling Interest (as hereinafter defined) would be obtained in the Company,

12.1.1 by a company (other than a company to which the immediately following sub-article applies) or by a person or persons (other than a company) who are not Original Members (as hereinafter defined) unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have offered to purchase all the 'A' ordinary shares at the Specified Price (as hereinafter defined) and (if not redeemed) all the 'A' preference shares at a price per share or at least £1 plus a sum equal to any arrears or accruals of unpaid 'A' Preference Dividend and 'B' preference shares at a price per share of at least £1 per share plus a sum equal to any arrears or accruals of unpaid 'B' Preference Dividend grossed up in such case at the rate of corporation tax then in force calculated down to the date of sale or transfer, or

12.1.2 by a company in which one or more of the members of the Company or persons acting in concert (which expression shall have the meaning ascribed to it in the October 1990 edition of the City Code on Takeovers and Mergers) with any member of the Company has or as a result of such sale or transfer will have a Controlling Interest

12.2 For the purpose of this article

12.2.1 the expression 'a Controlling Interest' shall mean an interest in shares (as defined in Schedule 13 Part 1 and section 324 of the Act) in a company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in that company,

12.2.2 the expression 'Original Members' shall mean persons who were members of the Company on the date of the adoption of these articles or who purchased their shares as Nominated Purchaser pursuant to Article 10.1 and the Privileged Relations of such members,

12.2.3 the expressions 'transfer' and 'transferee' shall include respectively the renunciation of a renounceable letter of allotment and the renounce under any such letter of allotment, and

12.2.4 the expression 'the Specified Price' shall mean at the option of the holders of at least 75% of the 'A' ordinary shares either,

12.2.4.1 a price per share equal to the subscription price paid by the holder of the 'A' ordinary shares, or

12.2.4.2 the consideration (in cash or otherwise) per share equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for any other shares in the Company plus the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for such other shares provided that if any part of the price per share is payable otherwise than by cash the holders of the 'A' ordinary shares may at their option elect to take a price per share of such cash sum as may be agreed by them having regard to the substance of the transaction as a whole,

plus in either case a sum equal to any arrears or accruals of unpaid dividends on such share grossed up at the rate of corporation tax then in force calculated down to the date of sale or transfer and in the event of disagreement the calculation of the Specified Price shall be referred to an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for

the time being of the Institute of Chartered Accountants in England and Wales whose decision shall be final and binding

- 12 3 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this article

Voting

- 13 1 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these articles, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative not being himself a member, shall have one vote, and on a poll, every member who is present in person or by proxy or (being a corporation) is present by a representative or by proxy shall (except as hereinafter provided) have one vote for every £1 in nominal amount of shares in the capital of the Company of which he is the holder
- 13 2 The holders of the 'A' preference shares and the holders of the 'B' preference shares shall be entitled to receive notice of all general meetings but shall not by reason of such holding be entitled to attend or vote thereat.

Appointment of Directors

- 14 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 In addition, the holders of shares representing more than half of the shares which carry the right to attend and vote at general meetings of the Company may be notice to the Company together appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director

Proceedings of Directors

- 15 Notice of every meeting of the directors shall be given to each director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him

- 16 1 Subject to the provisions of the Act and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office -
- 16 1 1 may be a party or to otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested,
- 16 1 2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested,
- 16 1 3 may (and any firm or company of which he is a partner or member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,
- 16 1 4 shall not by reason of his office be accountable of the Company for any benefit which he derives from such office service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
- 16 1 5 shall be entitled to vote and be counted in the quorum on any matter concerning the foregoing paragraphs of this article
- 16 2 For the purposes of this article
- 16 2 1 a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has no interest in any such transaction of the nature and extend so specified,
- 16 2 2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his, and
- 16 2 3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise

Director's Borrowing Powers

- 17 The directors may exercise all the powers of the Company (whether express or implied)
- 17 1 of borrowing or securing the payment of money
- 17 2 of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts, and
- 17 3 of mortgaging or charging the property assets and uncalled capital of the Company and (subject to section 80 of the Act) of issuing debentures

Special Director

- 18 Notwithstanding any other provisions of these articles 31 shall be entitled to appoint as a director of the Company any person (herein referred to as the 'Special Director') approved by the directors (whose approval shall not be unreasonably withheld) and to remove from office any person so appointed and (subject to such approval) to appoint another person in this place Upon request by 31 the directors shall also procure that the Special Director is appointed and acts as Chairman of the board of directors of the Company The remuneration and reasonable expenses to be paid to the Special Director shall be payable by the Company and shall be such sum as may be agreed between him and the Company or failing agreement such reasonable sum as shall be fixed by 31 Upon request by 31 the Company shall also procure that the Special Director be appointed a director to any subsidiary of the Company

Indemnity

- 19 Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company

Increase the Authorised Share Capital and Fresh Issue of Shares

20 1 Without the consent of 90% of the members, the Company and its Directors shall not -

20 1 1 increase the authorised share capital of the Company,

20 1 2 issue further shares forming part of the authorised share capital not previously issued,

20 1 3 alter the provisions of this Article,

and regulation 32 of Table A shall be modified accordingly

20 2 The provisions of this Article shall remain in force until such time as

- a) the Company has redeemed all the 'A' and 'B' preference shares, or
- b) any of the Equity Share Capital of the Company (as defined in Article 10 2 above) is admitted to the Official List of the Stock Exchange or other recognised investment exchange (as defined in Section 207 of the Financial Services Act 1986)

21 1 Notwithstanding any contrary provisions in these Articles, the Directors (or Director if there is only one) of the Company shall not decline to register any transfer of shares in the Company, nor may they suspend registration thereof, where such transfer

- (a) is to any bank, institution or other person to which such shares have been charged by way of security or to any nominee of such a bank, institution or other person (or a person acting as agent or security trustee for such persons) (a **"Secured Institution"**), or
- (b) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares, or
- (c) is executed by a Secured Institution or its nominee pursuant to a power of sale or other power existing under such security, and
- (d) the Directors (or Director if there is only one) of the Company shall forthwith register any such transfer of shares or shares upon receipt and furthermore notwithstanding anything to the contrary contained in these Articles no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall (in either case) be required to offer the shares which are or are to be the subject of any transfer as aforesaid to the shareholders for the time being of the Company or any of them and no such shareholder shall have any right under the Articles or

otherwise howsoever to require such shares to be transferred to them whether for valuable consideration or otherwise

A certificate by any officer of such Secured Institution that the shares were so charged and the transfer was so executed shall be conclusive evidence of such facts

- 21 2 Any lien on shares which the Company has shall not apply in respect of any shares which have been charged by way of security to a bank or financial institution or a subsidiary of a bank or financial institution or which are transferred in accordance with the provision of Article 21 1