

26-02-97

No. 3060702

COMPANIES ACTS 1985 TO 1989  
 COMPANY LIMITED BY SHARES  
 SPECIAL RESOLUTIONS  
 OF

GDN LIMITED

(Passed <sup>17</sup>~~12~~ FEBRUARY 1997)

At an Extraordinary General Meeting of the Company duly convened and held at 707 High Road, North Finchley, London N12 on <sup>17</sup>~~12~~ FEBRUARY 1997 the following Resolutions were duly passed as Special Resolutions:-

## SPECIAL RESOLUTIONS

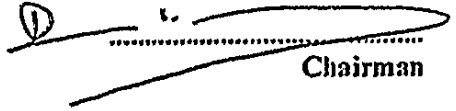
1. That the authorized share capital of the Company be increased to £101,000 by the creation of an additional 100,000 10 per cent Redeemable Preference Shares of £1 nominal value having the rights privileges, limitations and restrictions contained in the new Articles of Association adopted pursuant to paragraph two of this Special Resolution.
2. That the Articles of Association contained in the printed document produced to the meeting marked "A" and for the purpose of identification signed by the Chairman thereof be and the same are approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.

  
 Chairman



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A



Chairman

No of Company: 3060702

THE COMPANIES ACTS 1985 TO 1989

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

GDN LIMITED

(adopted by Special Resolution on 2<sup>nd</sup> February 1997)

#### PRELIMINARY

1. (a) The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (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.

#### SHARE CAPITAL

2. The authorised share capital of the Company at the date of adoption of these Articles is £101,000 divided into 1,000 Ordinary Shares of £1 each (the "Ordinary Shares") ranking pari passu and 100,000 ten per cent (10%) Redeemable Preference Shares of £1 each (the "Preference Shares").

The rights, privileges, limitations and restrictions attaching to the Ordinary Shares and the Preference Shares are as follows:-

#### 2.1 Income

The profits of the company available for distribution shall for each Accounting Reference period be applied as follows:-

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- (a) first in paying to the holders of the Preference Shares as a class of fixed cumulative preferential dividend at the rate of 10% per annum of the paid up nominal value thereof.
- (b) second in paying to the holders of Ordinary Shares as a class such dividend as shall be duly declared by the Company of a sum not exceeding one million pounds from the profits of the Company in respect of the relevant Accounting Reference period.
- (c) third in paying to the holders of both Preference Shares and Ordinary Shares pro rata as if together constituting one class of shares such dividend as shall be duly declared by the Company in respect of the relevant Accounting Reference period.

## 2.2 Capital

On a return of capital on liquidation or otherwise the assets of the Company available for distribution amongst the members shall be applied, in priority to any payment to the holders of any other class of shares in the capital of the Company in repaying to the holders of Preference Shares;

- (a) the amounts paid up on the Preference Shares held by them and
- (b) a sum equal to any arrears or deficiency of the fixed dividend thereon to be calculated down to the date of return of capital and to be payable irrespective of whether such dividend has been declared or earned.

The Preference Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.

## 2.3 As Regards Voting

- (a) subject to sub-clause (b) below the holders of the Preference Shares are not entitled to vote in respect of any of their Preference Shares at General Meetings of the Company but they shall be entitled to receive Notice of such meetings and to attend same.
- (b) If any resolution for the liquidation of the Company shall be proposed or if at any time there are arrears of the dividend payable under 2.1(a) above then the holders of the Preference Shares shall be entitled to one vote each in respect of each £1 in nominal amount of 1 Preference Shares held by them at General Meetings of the Company.

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## 2.4 Redemption

- (a) Either the Shareholders holding a majority of the Preference Shares or the Company may by notice in writing so as to expire anytime after 1st January 2000 (a "Redemption Notice") require or as appropriate elect for redemption of all but not some only of the Preference Shares. In the case of at least a majority of the holders of Preference Shares serving a Redemption Notice it should be served on the Company and in the case of the Company serving a Redemption Notice it shall be served on each holder of Preference Shares.
- (b) On redemption the Company shall pay to the holders of the Preference Shares:
  - (i) the amounts paid up on the Preference Shares held by them and
  - (ii) a sum equal to any arrears or deficiency of the fixed dividend thereon to be calculated down to the date of return of capital and to be payable irrespective of whether such dividend has been declared or earned.

## Further issues of Share Capital

- 3. (a) All issues on or after the date of adoption of these Articles of Association shall subject to paragraphs (b) and (c) hereof conducted as follows:-
  - (i) the shares to be issued shall be offered to members who hold shares of the same class as those which are intended to be issued pro rata (or as near to pro rata as reasonably possible) in proportion to the existing share holdings of each existing Member.
  - (ii) the offer ("the First Offer") shall be made in writing to each Member and shall state the number of shares offered the nominal value of each share the price at which they are offered and the time limit (being not less than 14 days from the date of the offer) within which the offer is to be accepted.
  - (iii) any Member receiving such an offer may renounce the First Offer in favour of any other Member who holds shares of the same class.
  - (iv) the offer shall be deemed to be accepted if the Member to whom the offer is made (or alternatively the Member in whose favour a renunciation pursuant to paragraph (iii) above has been made) delivers a notice in writing to the registered office of the Company or to some other authorized agent of the Company within the time limit specified in the offer.
  - (v) the First Offer shall be deemed to be declined should the First Offer not be accepted as provided for above.

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(vi) those shares so declined shall then be offered ("the Second Offer") pro rata (or as near to pro rata as reasonably possible) to those Members who have accepted all the shares offered to them on the First Offer the Second Offer being in the same manner and on the same terms as the First Offer.

(vii) any Member may renounce the Second Offer in favour of any other Member who holds shares of the same class and the method of acceptance of the Second Offer shall be as provided for in sub-paragraph (iv) hereof.

(viii) any shares not accepted on the Second Offer shall be offered ("the Third Offer") to the holders of shares of any class pro rata (or as near pro rata as reasonably possible) in proportion to the existing share holdings of each existing Member the Third Offer being in the same manner and on the same terms as the First Offer.

(ix) any Member may renounce the Third Offer in favour of any other Member who holds shares of any class and the method of acceptance of the Third Offer shall be provided for in sub-paragraph (iv) hereof.

(x) any shares not accepted after the Third Offer together with those shares released from the provisions hereof by paragraph (b) hereunder shall be under the control of the Directors and the Directors may allot, grant options over, or otherwise deal with or dispose of any such shares to such persons and generally on such terms and in such manner as they think fit provided that such Shares shall not be offered to any person on terms any less favourable to the Company than those of the First and Second Offer and provided also that such dealing or disposition shall be authorised by a unanimous decision of the Directors.

(xi) Sections 89 to 94 of the Companies Act 1985 shall not apply.

(b) With the consent of the Company in General Meeting by Special Resolution the Directors shall be released from the provisions of paragraph (a) hereof and may allot, grant options over or otherwise deal with or dispose of any unissued shares to such persons and generally on such terms and in such manner as they think fit.

(c) Notwithstanding the provisions of paragraph (a) of this Article, the Directors shall be entitled to allot and issue shares to persons exercising options which have been granted pursuant to any share option scheme approved by the members.

(d) The Directors shall within 28 days of receiving either a duly completed and stamped stock transfer form together with the original share certificate following a share transfer or any acceptance of an offer as provided for by paragraph (a) hereof or an acceptance or renunciation in favour of a third party of any allotment of shares by the Company cause the appropriate share certificate to be issued and the Register of Members to be duly completed.

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(e) Subject to paragraph (a) of this Article the Directors are generally and unconditionally authorized for the purposes of Section 80 of the Companies Act 1985, to exercise any power of the Company to allot and grant rights to subscribe for or convert relevant securities into shares of the Company up to the amount of the authorised share capital from time to time during the period of five years from the date of adoption of these Articles of Association. The authority hereby given may at any time be renewed or varied by Ordinary Resolution.

(d) Subject to paragraph (a) of this Article the directors be and they are hereby granted power to allot equity securities (within the meaning of section 94 of the Companies Act 1985) pursuant to the general authority relating to Section 80 of that Act (as granted by paragraph (e) of this Article) as if sub-section 89(1) of that Act did not apply to any such allotment and so that the directors may allot equity securities as if sub-section 89(1) of that Act did not apply to any such allotment after the expiry of such general authority if any such allotment is made pursuant to an offer or agreement made by the Company prior to such expiry.

4. 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 actual 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.

#### NOTICE OF GENERAL MEETINGS

5. (i) An Annual General meeting and an Extraordinary General Meeting called for the passing of a Special Resolution or a Resolution appointing a person as a Director shall be called by at least twenty one clear days notice. All other Extraordinary General Meetings shall be called by at least fourteen clear days notice but a General Meeting may be called by shorter notice if it is so agreed.

(ii) in the case of an Annual General Meeting by the Members entitled to attend and vote thereat; and

(b) in the case of any other Meeting by a majority in number of the Members having a right to attend and vote being a majority together holding not less than ninety five per cent in nominal value of the shares giving that right.

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

(iii) All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also 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.

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(iv) Subject to the provisions of articles and to any restrictions imposed on any shares, all notices of and any other communications relating to any General Meetings of the Company or of separate General Meetings of the holders of any class of share capital of the Company shall be given to all members, to all persons entitled to a share in consequence of the death or bankruptcy of a Member and to the Directors and Auditors of the Company for the time being.

(v) Regulation 38 of Table A shall not apply to the Company.

#### PROCEEDINGS AT GENERAL MEETING

6. (i) No business shall be transacted at any Meeting unless a quorum is present at the time the Meeting proceeds to business. Two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.
- (ii) If such a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Directors may determine. If at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, such adjourned Meeting shall be dissolved.
- (iii) Regulations 40 and 41 of Table A shall not apply to the Company.

#### NUMBER OF DIRECTORS

7. (i) Unless otherwise determined by Ordinary Resolution in General Meeting of the Company the number of Directors (other than Alternate Directors) shall not be subject to any maximum, and the minimum number of Directors shall be one. If and so long as the minimum number of Directors shall be one, a sole Director may exercise all the authorities and powers which are vested in the Directors by Table A and by these Articles. Regulation 39 of Table A shall be modified accordingly.
- (ii) Regulation 64 of Table A shall not apply to the Company.

#### APPOINTMENT OF DIRECTORS

8. The first Directors of the Company shall be as named in the statement delivered to the Registrar of Companies pursuant to section 10 of the Act.
9. No person shall be appointed a Director at any General Meeting unless.
- (a) he is recommended by the directors; or
- (b) 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.