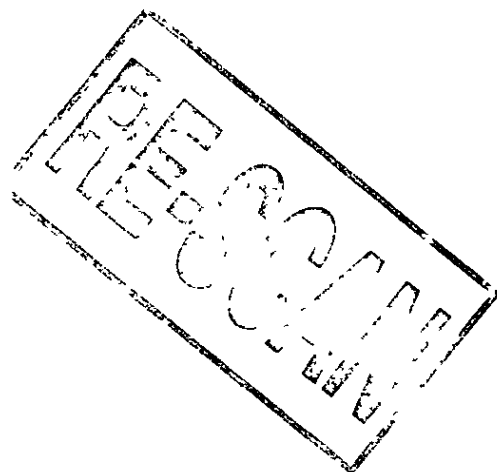


Company No 3060702

**The Companies Acts 1985-89**  
**Company limited by shares**  
**Ordinary and special resolutions**  
**of**  
**GDN LIMITED**



**At an extraordinary general meeting of the company held on 17 August 2000, the following resolution was passed:**

**Ordinary resolution**

- 1 That, conditionally upon the passing of resolution number 4, in accordance with section 80 Companies Act 1985 (CA 1985) and article 3 2 of the articles of association the directors are generally and unconditionally authorised to allot relevant securities as defined in section 80(2) CA 1985 up to the entire unissued authorised share capital of the company such authority, unless previously revoked or varied by the company in general meeting, to expire on 10 August 2005 except that the directors may allot relevant securities pursuant to an offer or agreement made before the expiry of the authority

**Special resolution**

2. That, under section 95(1) CA 1985 and pursuant to article 3 2 of the articles of association, the directors are authorised to allot equity securities, as defined in section 94(2) CA 1985, for the period commencing on the date of this resolution and expiring on 10 August 2005 as if section 89(1) CA 1985 did not apply to such allotment, except that the directors may allot relevant securities following an offer or agreement made before the expiry of the authority and provided that the authority is limited to the allotment of equity securities up to an aggregate nominal amount of .
  - 2 1 £300,000 00 in connection with the capitalisation of sums owing to Daniel Nabarro,
  - 2 2 £756,000 00 in connection with the capitalisation of sums owing to Iridium Holdings Limited, and
  - 2 3 £756,000 00 in connection with the capitalisation of sums owing to Xenon Enterprises Limited

*Michael Ross*

Chairman

MXC\323177v01



11/10/00 249

Company No. 3060702

**The Companies Acts 1985-89**  
**Company limited by shares**  
**Ordinary and special resolutions**  
**of**  
**GDN LIMITED**

**At an extraordinary general meeting of the company held on 10 August 2000, the following resolution was passed:**

**Ordinary resolution**

- 1 That the authorised share capital of the company is increased from £111,000 to £112,000 by the creation of 100,000 C ordinary shares of 1 penny each

**Special resolution**

- 2 That the new articles of association of the company be adopted in the form attached.

  
Chairman

COMPANIES HOUSE  
COMPANIES HOUSE  
COMPANIES HOUSE

09/09/00  
30/08/00

Company no. 3060702  
Incorporated 24 May 1995

**ARTICLES OF ASSOCIATION**  
The Companies Acts 1985 and 1989  
Private company limited by shares

**GDN LIMITED**

Adopted on  
15<sup>th</sup> August 2000

gh

**FLADGATE FIELDER**  
25 North Row  
London W1R 1DJ  
Tel: 020 7323 4747  
Fax 020 7629 4414  
Ref CB/MGT/18438/0001

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COMPANIES HOUSE

09/08/00

18438\0006

Company no 3060702

**The Companies Acts 1985 and 1989**

**Private company limited by shares**

**Articles of Association**

**of**

**GDN Limited**

**(adopted by Special Resolution on 10<sup>th</sup> August 2000)**



**1. Preliminary**

- 1 1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (**Table A**) shall apply to the Company save in so far as they are excluded or varied hereby and such regulations (save as so excluded or varied) (**regulation**) and the following articles (**articles**) shall be the regulations of the Company
- 1 2 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

**2. Share capital**

- 2 1 The authorised share capital of the Company at the date of adoption of these articles is £112,000 (one hundred and twelve thousand pounds sterling) divided into:
- 2 1 1 100,000 ten per cent. (10%) Redeemable Preference shares of £1 each (**Preference Shares**);
- 2.1 2 413,145 Ordinary Shares of one penny each (**Ordinary Shares**),
- 2 1 3 359,478 'A' Ordinary Shares of one penny each (**'A' Ordinary Shares**), and
- 2 1 4 327,377 'B' Ordinary Shares of one penny each (**'B' Ordinary Shares**),



2 1.5 100,000 'C' Ordinary Shares of one penny each ('C' Ordinary Shares),

such Ordinary Shares, 'A' Ordinary Shares, 'B' Ordinary Shares and 'C' Ordinary Shares ranking *pari passu* in all respects except as set out in article 13

2 2 The rights, privileges, limitation and restrictions attaching to the Ordinary Shares, the 'A' Ordinary Shares, 'B' Ordinary Shares, 'C' Ordinary Shares and the Preference Shares are as follows

*Income*

2 2 1 The profits of the company available for distribution shall for each accounting reference period be applied as follows

2 2 1 1 first in paying to the holders of the Preference Shares as a class of fixed cumulative preferential dividend at the rate of ten per cent per annum of the paid up nominal value thereof, and

2 2.1 2 second in paying to the holders of Ordinary Shares, 'A' Ordinary Shares, 'B' Ordinary Shares and 'C' Ordinary Shares as a single class for this purpose such dividend as shall be duly declared by the Company from the profits of the Company in respect of the relevant accounting reference period.

*Capital*

2 2 2 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

2.2.2 1 the amounts paid up on the Preference Shares held by them, and

2.2.2.2 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

2 2 3 The Preference Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company

*As Regards Voting*

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- 23.1 Subject to article 23.2 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.
- 23.2 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 article 23.1 then the holders of the Preference Shares shall be entitled to one vote each in respect of each £1 in the nominal amount of one Preference Share held by them at general meetings of the Company.

*Redemption*

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- 24.1 Either the Shareholders holding a majority of the Preference Shares or the Company may by notice in writing so as to expire any time after 1 January 2000 (**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.
- 24.2 On redemption the Company shall pay to the holders of the Preference Shares
- 24.2.1 the amounts paid up on the Preference Shares held by them, and
- 24.2.2 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



### 3. Further issues of share capital

- 3.1 All issues of Ordinary Shares on or after the date of adoption of these articles of association shall subject to article 3.2 and 3.3 be conducted as follows
- 3.1.1 the shares to be issued shall be offered to members who hold shares of any class pro rata (or as near to pro rata as reasonably possible) in proportion to the existing share holdings of each existing member,
  - 3.1.2 the offer (**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 seven days from the date of the offer) within which the offer is to be accepted,
  - 3.1.3 the offer shall be deemed to be accepted if the member to whom the offer is made a notice in writing to the registered office of the Company or to some other authorised agent of the Company within the time limit specified in the offer;
  - 3.1.4 the First Offer shall be deemed to be declined should the First Offer not be accepted as provided for above,
  - 3.1.5 those shares so declined shall then be offered (**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;
  - 3.1.6 the method of acceptance of the Second Offer shall be as provided in article 3.1.3,
  - 3.1.7 any shares not accepted on the Second Offer shall be offered (**Third Offer**) to all the members who accepted all the shares offered to them on the Second Offer 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;
  - 3.1.8 the method of acceptance of the Third Offer shall be provided for in article 3.1.3,
  - 3.1.9 any shares not accepted after the Third Offer together with those shares released from the provisions of article 3.1 by article 3.2 shall be under the control of the directors and the

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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, and

3 1 10 section 89 to 94 of the Act shall not apply

- 3 2 With the consent of the Company in general meeting by special resolution the directors shall be released from the provisions of article 3 1 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
- 3 3 Notwithstanding the provisions of article 3 1 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
- 3 4 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 article 3.1 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.
- 3 5 Subject to article 3 1 the directors are generally and unconditionally authorised 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.
- 3 6 The directors be and they are hereby granted power to allot equity securities (within the meaning of section 94 of the Act) pursuant to the general authority relating to section 80 of the Act (as granted by article 3 5) as if section 89(1) of the Act did not apply to any such allotment and so that the directors may allot equity securities as if section 89(1) of the 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 provided that such authority is limited to:



- 3.6.1 subject to article 3.1, the allotment of Ordinary Shares.
  - 3.6.2 the allotment of 'A' Ordinary Shares and/or 'B' Ordinary Shares and/or 'C' Ordinary Shares to employees of the Company from time to time;
  - 3.6.3 the allotment of shares to persons exercising options which have been granted pursuant to any share option scheme approved by the members.
- 3.7 The lien conferred by regulation 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 monies presently payable by him or his estate to the Company. Regulation 8 in Table A shall be modified accordingly.

#### 4. Notice of general meetings

- 4.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution appointing a person as a director shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed.
- 4.1.1 in the case of an annual general meeting by the members entitled to attend and vote at the meeting, and
  - 4.1.2 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 95 per cent in *nominal value of the shares giving that right*
- 4.2 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.
- 4.3 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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4 4 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

4 5 Regulation 38 of Table A shall not apply to the Company.

## **5. Proceedings at general meeting**

5 1 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

5 2 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

5 3 Regulations 40 and 41 of Table A shall not apply to the Company

## **6. Number of directors**

6 1 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 89 of Table A shall be modified accordingly

6 2 Regulation 64 of Table A shall not apply to the Company

## **7. Appointment and retirement of directors**

7 1 The first director of the Company shall be as named in the statement delivered to the Registrar of Companies pursuant to section 10 of the Act

7 2 No person shall be appointed a director at any general meeting unless

7.2 1 he is recommended by the directors, or

7 2 2 not less than 14 nor more than 35 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

7 3 Subject to article 7 2, the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

7.4 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 fixed by or in accordance with these Articles as the maximum number of directors

7 5 The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) of Table A shall not apply to the Company

#### **8. Directors' gratuities and pensions**

8 1 The powers of the Company set out in clause 3 16 of the memorandum of association may be exercised by the directors of the Company

8 2 Regulation 87 of Table A shall not apply to the Company.

#### **9. Proceedings of directors**

9.1 A director may vote as a director in regard to any contract or arrangement in which he is interested or upon any matter arising therefrom, and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration

9 2 Regulations 94 to 96 (inclusive) of Table A shall not apply to the Company

#### **10 Secretary**

10 1 The secretary or joint-secretary of the Company shall be as named in the statement delivered to the registrar of companies pursuant to section 10 of the Act.

#### **11. Transfer**

11.1 Except for transfers of shares pursuant to articles 12 and 13, the directors may, in their absolute discretion, decline to register the transfer of a share whether or not it be a fully paid share and no reason

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for the refusal to register the aforementioned transfer need be given by the directors. The first sentence of regulation 24 of Table A shall not apply to the Company

## 12. Takeover offers

### 12.1 In this article 12 and article 13

12.1.1 **Equity Share** means an Ordinary Share and/or an 'A' Ordinary Share and/or a 'B' Ordinary Share and/or a 'C' Ordinary Share and/or any other form of ordinary share that may hereafter be issued in the capital of the Company,

12.1.2 **Qualifying Offer** means a bona fide offer in writing by or on behalf of any person (**Offeror**) to the holders (other than the Offeror) of all of the Equity Shares to acquire all their Equity Shares on the terms set out in the Qualifying Offer

12.2 If the holders of not less than 80% of the Equity Shares then in issue (**Accepting Shareholders**) accept a Qualifying Offer then the provisions of this article 12 will apply

12.3 The Company will as soon as practicable after it becomes aware that the terms of article 12.2 have been satisfied give written notice (**Compulsory Transfer Notice**) to the Offeror and the holders of the Equity Shares who have not at that time accepted the Qualifying Offer (**Other Shareholders**) of the acceptances by the Accepting Shareholders of the Qualifying Offer and specifying a date, being not more than ten business days from the date of the Compulsory Transfer Notice, by which the Other Shareholders must transfer their Equity Shares to the Offeror. The Other Shareholders will become bound to sell and to transfer their Equity Shares to the Offeror (or its nominee) as beneficial owner on the terms of the Qualifying Offer on receipt of the Compulsory Transfer Notice

12.4 If any member does not within five business days of being required to do so, execute and deliver transfers in respect of the Equity Shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu of the certificate(s)) to the Offeror, then any director of the Company will be entitled to execute the necessary transfer(s) and indemnities on that member's behalf and, against receipt by the Company (on trust for such member) of the consideration payable for the relevant Equity Shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or its nominee) and register such Offeror (or its nominee) as the holder thereof and, after such registration the validity of such proceedings will not be questioned by any person



### 13. Share transfers

- 13.1 If any member (**Transferor**) either wishes or attempts to transfer any of his Equity Shares in the Company to any person, the Transferor must give or will be deemed to have given a notice (**Transfer Notice**) to the other holders of Equity Shares (**Transferees**) and the expression Transferees applies to all or any one of the members served with a Transfer Notice, as appropriate
- 13.2 A Transfer Notice gives the Transferees the option to purchase all the Transferor's Equity Shares (**Shares**) in the Company specified in the Transfer Notice in the proportion that their shareholdings in the Company bear to the total Equity Shares in the Company (**Pro Rata Share**)
- 13.3 On the death of a member, the personal representatives of the deceased member are deemed to serve a Transfer Notice of all the deceased member's Equity Shares to the other members (**Deemed Transfer Notice**). In such a case the personal representatives are regarded as the Transferor
- 13.4 A Transfer Notice is deemed served on the date that it is actually served or, in the case of a Deemed Transfer Notice, the date when the facts giving rise to the Deemed Transfer Notice first come to the attention of either of the other members
- 13.5 Within seven days of service of a Transfer Notice or Deemed Transfer Notice, the Transferees may by written notice
- 13.5.1 agree to buy their Pro Rata Share of the Shares, and/or
- 13.5.2 agree to buy any of the Pro Rata Share of the Shares not accepted by any of the other Transferees.
- 13.6 If the Transferees fail to serve a notice within the time limit pursuant to article 13.5, the offer will be deemed to have been rejected
- 13.7 If a Transfer Notice, but not a Deemed Transfer Notice, specifies a price at which the Transferor is willing to sell the Shares and the Transferees accept the offer pursuant to article 13.5, the Transferor is bound to sell and the Transferees to purchase the Shares at the price stated
- 13.8 If the Transfer Notice does not specify a price or there is a Deemed Transfer Notice, Transferees accepting the offer pursuant to article 13.5 are deemed to do so conditionally, subject only to determination of the price for the Shares as set out in article 13.9
- 13.9 If the Transferees conditionally accept the offer in the Transfer Notice, the Transferor and Transferees will seek to agree a fair price for the



Shares (**Fair Price**). If they cannot agree the Fair Price in writing within seven days after the service of a Transfer Notice or a Deemed Transfer Notice, the matter will be referred to an investment banker experienced in valuing companies carrying on businesses similar to that undertaken by the Company (**Expert**) nominated by the Company acting by unanimous decision of the board. If the board fail to reach unanimity, the Expert shall be appointed by the President for the time being of the Institute of Chartered Accountants

13 10

13.10.1 Subject to the provisions of articles 13 10 2 and 13 10 3, the Fair Price will be determined by the Expert on the basis of a sale between a willing buyer and willing seller contracting at arm's length with each of the Shares having equal value with the other Equity Shares in the Company and without taking into account whether the Shares comprise a majority or a minority interest in the Company or in any class of shares in the Company.

13.10.2 Where and to the extent that the Shares are 'A' Ordinary Shares or 'B' Ordinary Shares and the Transfer Notice is served or the Deemed Transfer Notice is deemed to have been served prior to 11 October 2003 the Fair Price is to be subject to a maximum of £24 88 per share in the case of each 'A' Ordinary Share and £3 per share in the case of each 'B' Ordinary Share.

13.10.3 Where and to the extent that the Shares are 'C' Ordinary Shares and the Transfer Notice or the Deemed Transfer Notice is deemed to have been served prior to the fourth anniversary of the date of allotment of the 'C' Ordinary Shares held by the Transferor the Fair Price is to be subject to a maximum of the subscription price paid in the case of each 'C' Ordinary Share.

13 11 The Expert may limit a time within which representations may be made to him and will notify the Transferor, the Transferees and the Company of the Fair Price within seven days of appointment. The decision of the Expert will be final and binding on the Transferor and Transferees who will split his fees equally between them unless the Expert directs otherwise. In reaching his decision the Expert will act as an expert and not as an arbitrator

13 12 Within seven days of notification by the Expert of the Fair Price, either the Transferor, if and only if it is a voluntary transfer by a Transferor, or any of the Transferees may serve a written notice on the other withdrawing the proposal to sell or to purchase the Shares. Failing such

notice, the Transferor will be bound to sell and the Transferees to purchase all the Shares at the Fair Price on notification of the Fair Price. If some of the Transferees serve a notice withdrawing the proposal to buy, the remaining Transferees will be bound to buy their own Pro Rata Share of the Shares and may elect in writing within a further seven days to purchase the Pro Rata Share of any Transferees who withdraw their proposal to buy pursuant to this article.


- 13.13 If, having become bound to do so, the Transferor fails to complete the sale of the Shares as required, the Company may receive and hold the purchase price on his behalf in a separate bank account and may authorise any two directors of the Company to execute a transfer of the Shares in favour of the Transferees on the Transferor's behalf.
- 13.14 If the Transferees reject the offer to buy the Transferor's Shares pursuant to article 13.5 or withdraw their acceptance to buy pursuant to article 13.12 or do not require the price to be negotiated or referred to an Expert pursuant to article 13.9, the Transferor may at any time within six months of the original Transfer Notice sell all or any part of the Shares to another person at a price not less than that stated in the Transfer Notice without the consent of the Transferees or the need to serve a further Transfer Notice. In any other circumstances the procedure set out in these provisions must be repeated whenever any shares are transferred.
- 13.15 On completion of a transfer:
  - 13.15.1 the Transferor must deliver to the Transferee a duly executed transfer of all the Transferor's shares in favour of the Transferee(s), together with the relevant share certificates, and the written resignation in writing of the Transferor as director of the Company containing a release of the Company from all claims of any nature in respect of loss of office;
  - 13.15.2 the Transferee(s) must deliver to the Transferor (a) banker(s) draft(s) for the agreed price,
  - 13.15.3 the Transferor undertakes with the Transferee(s) that the shares are sold free from all third party claims and with all rights and benefits attaching to them,
  - 13.15.4 if there is any default in transferring the Shares, the Company may receive the purchase money on behalf of the Transferor and execute and deliver the transfer as attorney for the Transferor and hold the purchase money in trust for the Transferor, but without liability to account to the Transferor for interest,

- 13 15 5 the Transferor will repay all loans, loan capital, borrowing and indebtedness in the nature of borrowing outstanding to the Company together with any interest,
- 13 15 6 the Company will repay all loans, loan capital, borrowing and indebtedness in the nature of borrowing outstanding to the Transferor together with any interest; and
- 13 15 7 the remaining members will use all reasonable efforts to ensure the release of any guarantees or indemnities given by the Transferor to or in respect of the Company
- 13 16 Completion will take place within four days of agreement to transfer being reached, unless otherwise stated in this agreement or agreed between the Transferor and the Transferees.
- 13 17 The members will procure that the Company will register only transfers of shares carried out in accordance with these provisions.
- 13 18 Without prejudice to the generality of the preceding articles, in the event that the holder of an 'A' Ordinary Share or a 'B' Ordinary Share is or was an employee of the Company and ceases to be employed by the Company for any reason (**Cessation**) prior to 11 October 2003 (**Departing Employee**), the Departing Employee will immediately, upon the Cessation becoming effective, be deemed to have served a Transfer Notice in respect of, subject to article 13.19, the percentage of his or her Equity Shares specified in column 2 below (**Departing Employee Transfer Notice**) The Departing Employee Transfer Notice will be deemed to offer the relevant number of Equity Shares at the price of £24.88 per share in the case of 'A' Ordinary Shares and £3 per Equity Share in the case of 'B' Ordinary Shares.

**Compulsory transfers on cessation of employment of Departing Employee**

Period of transfer (from 11 October 1999 )	% of Equity Shares to be transferred by Departing Employee	Company Sales Target (£m)	Company Valuation (£m)
(1)	(2)	(3)	(4)
0-12 months	100	-	-
12 months, 1 day - 24 months	75	1.33	20
24 months, 1 day - 36 months	50	3.33	50





36 months, 1 day – 48 months	25	13 33	200
Greater than 48 months	0	26 67	400

13.19 If at the date of Cessation the Company has achieved any sales target or valuation specified in respectively column 3 or column 4 of the table set out in article 13.18, then the percentage of Equity Shares that the Departing Employee is obliged to transfer will be reduced to the percentage specified in column 2 above which corresponds to the relevant sales target or company valuation. For the purposes of this article 13.19.

13.19.1 the sales target achieved will be calculated by reference to the 12-month period ending with the end of the last month immediately preceding the date of Cessation. The Company's auditors from time to time will as soon as practicable following Cessation certify the sales target achieved in the relevant period. The auditor's certificate will, in the absence of fraud, be final and binding on the Departing Employee, the remaining shareholders and the Company; and

13.19.2 the valuation of the Company at Cessation will be agreed in writing between the directors and the Departing Employee within seven days of the date of Cessation. If not so agreed, the directors will refer the matter to the Expert (as defined in article 13.9) and the Expert will undertake the valuation on the basis of a sale of all the equity shares between a willing buyer and a willing seller and in accordance with article 13.11.

13.20 Without prejudice to the generality of the preceding articles, in the event that the holder of a 'C' Ordinary Share is or was an employee of the Company and ceases to be employed by the Company for any reason (**Cessation**) prior to the fourth anniversary of that person being allotted 'C' Ordinary Share (**Departing Employee**), the Departing Employee will immediately, upon the Cessation becoming effective, be deemed to have served a Transfer Notice in respect of the percentage of his or her 'C' Ordinary Shares specified in column 2 below as corresponds to the Departing Employee's date of Cessation specified in column 1 below (**Departing Employee Transfer Notice**). The Departing Employee Transfer Notice will be deemed to offer the

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relevant number of 'C' Ordinary Shares at the subscription price paid in the case of each 'C' Ordinary Share.

(1) Period from date of allotment of 'C' Ordinary Shares	(2) % of 'C' Ordinary Shares to be deemed transferred by Departing Employee
0-12 months	100
12 months, 1 day – 24 months	75
24 months, 1 day – 36 months	50
36 months, 1 day – 48 months	25
Greater than 48 months	0

13.21

- 13 21 1 For the avoidance of doubt the provisions of this article 13 will not apply in circumstances where a transfer made by the Departing Employee arises where there is a Qualifying Offer as described in article 12
- 13 21 2 Where an 'A' Ordinary Share or a 'B' Ordinary Share or a 'C' Ordinary Share is transferred to the holder of any other class of shares such share will retain its character as an 'A' Ordinary Share or a 'B' Ordinary Share or a 'C' Ordinary Share respectively