



THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

of

FIRST MOTORWAY SERVICES LIMITED

Registered Number 3126731

(adopted by special resolution on 25 April 1996)

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 '3i' means 3i Group plc. The expression 'member of the 3i Group' means 3i, any subsidiary of 3i and any holding company of 3i and any subsidiary of such holding company and 'the 3i Group' shall be construed accordingly.
 - 1.4 The expression 'Investor' shall mean each of 3i and any person who is or becomes an Investor for the purposes of the Investment Agreement, or any nominee of 3i or of any such person. The expression 'member of an Investor's Group' shall mean an Investor, any subsidiary of that Investor and any holding company of that Investor and any subsidiary of such holding company and any nominee of any of the foregoing and 'Investor's Group' or 'Group' shall be construed accordingly.
 - 1.5 'the Investment Agreement' means the agreement for share subscription entered into or to be entered into between the Company (1) the Promoters (as defined therein) (2) 3i plc (3) 3i (4).
 - 1.6 The expression 'Syndicatee' has the meaning attributed to it in the Investment Agreement.

- 1.7 The expression 'voting rights' shall be construed in accordance with section 736(A) of the Act.
- 1.8 The word 'emoluments' shall include all salary and all items set out in paragraph 1(4) of schedule 6 to the Act.
- 1.9 A reference to 'A' ordinary shares shall be a reference to all the 'A1' and 'A2' ordinary shares together and all such shares shall unless otherwise indicated rank pari passu as if the same constituted one class of shares. A reference to 'A' preference shares shall be a reference to all the 'A1' and 'A2' preference shares together and all such shares shall unless otherwise indicated rank pari passu as if the same constituted one class of shares.
- 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 (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 £160,843.75 divided into 3,825,000 'A1' preference shares of one penny each 1,816,875 'A2' preference shares of one penny each 300,000 'A1' ordinary shares of one penny each 142,500 'A2' ordinary shares of one penny each and 100,000 ordinary 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 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 Preference Dividend') as follows:- for the year to 31 March 1997 6 pence per annum on each share; for the year to 31 March 1998 7 pence per annum on

each share for the years to 31 March 1999 and 31 March 2000 8 pence per annum on each share; for each year thereafter 10 pence per annum on each share in each case accruing from the date of subscription for the 'A' preference shares and payable half yearly on 15 May and 15 November, the first such payment to be made on 15 November 1996.

- 3.1.2 Second in paying to the holders of the 'A' ordinary shares a fixed cumulative preferential net cash dividend (hereinafter in these articles referred to as 'the Fixed Dividend') as follows:- for the year to 31 March 1997 6 pence per annum on each share; for the year to 31 March 1998 7 pence per annum on each share for the years to 31 March 1999 and 31 March 2000 8 pence per annum on each share; for each year thereafter 10 pence per annum on each share; in each case accruing from the date of subscription for the 'A' ordinary shares and payable half yearly on 15 May and 15 November, the first such payment to be made on 15 November 1996.
- 3.1.3 Third and with effect from the financial year of the Company commencing 1 April 1997 in paying to the holders of the 'A' ordinary shares as a class in respect of each financial year of the Company a cumulative preferential net cash dividend (hereinafter in these articles referred to as 'the Participating Dividend') of a sum which when added to the total of the Fixed Dividend payable in respect of that year is equal to, for the financial year of the company to 31 March 1998 2.5% of the Net Profit (calculated as hereinafter provided) of the Company and its subsidiaries, and thereafter 5% of the Net Profit of the Company and its subsidiaries for the relevant financial year. 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.

For the purpose of calculating the Participating Dividend, the expression 'Net Profit' shall mean the profit on ordinary activities before 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 adding back any amortisation of goodwill.

3.1.4 No dividend shall be declared or paid to the holders of ordinary shares in respect of any financial year of the Company unless and until:-

3.1.4.1 the Preference Dividend and the Fixed 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;

3.1.4.2 all 'A' preference shares which have fallen due for redemption have been redeemed and;

3.1.4.3 1,912,500 'A' preference shares have been redeemed other than pursuant to a syndication under article 18 and clause 12 of the Investment Agreement

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 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 accounting 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 following payment of all proposed dividends are not less than £400,000 the Company shall distribute profits in respect of that financial year as follows:-

3.1.4.4 First in paying to the holders of the ordinary shares a dividend on each share of an amount up to but not exceeding the aggregate of the Fixed Dividend and the Participating Dividend (if any) paid on each 'A' ordinary share for such year;

3.1.4.5 Second with the prior written consent of the holders of 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).

Dividends payable under this article 3.1.4 shall be paid at the same time as the Participating Dividend.

- 3.1.5 Every dividend shall unless otherwise provided accrue on a daily basis.
- 3.1.6 Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act the Preference Dividend and the Fixed 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.
- 3.1.7 The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time 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 Preference Dividend and the Fixed Dividend and the Participating Dividend and any dividend under article 3.1.4.
- 3.1.8 Without prejudice to the express rights of the 'A' ordinary shares under these Articles or otherwise, for the purposes of determining the relative entitlements of the holders of the 'A' ordinary shares and the holders of the ordinary shares upon or in relation to any issue or allotment of shares, dividend or other distribution, return of assets or other reduction of capital or otherwise and in any such case whether under the provisions of these Articles, the Act or

otherwise, each 'A' ordinary share shall be deemed to have the same nominal value as each ordinary share.

3.2 Capital

On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or purchase by the Company of its own shares), the assets of the Company remaining after the payment of its liabilities shall be applied as follows:-

- 3.2.1 first in paying to the holders of the 'A' preference shares £1.00 per share together with a sum equal to the amount of the special dividend which would have been payable had the shares been redeemed on the date of return of capital plus a sum equal to any arrears or accruals of the Preference Dividend calculated down to the date of the return of capital;
- 3.2.2 second in paying to the holders of the 'A' ordinary shares £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;
- 3.2.3 third in paying to the holders of ordinary shares £1 per share together with a sum equal to any arrears or accruals of the dividends on the ordinary shares calculated down to the date of the return of capital; and
- 3.2.4 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).

3.3 Redemption

- 3.3.1 Subject to the provisions of the Act on each of the dates set out below that number of 'A' preference shares set out below opposite the relevant date shall be redeemed:-

<u>Redemption date</u>	<u>Number of shares redeemable</u>
30 April 2002	620,000
30 April 2003	370,000
30 April 2004	1,400,000
30 April 2005	1,435,000

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

3.3.2 Subject to the provisions of the Act all of the 'A' preference shares shall (unless the holders of 75% of the 'A' preference shares give notice in writing to the Company to the contrary) be redeemed immediately upon any of the following dates:-

3.3.2.1 the date upon which any of the equity share capital of the Company is admitted to the Official List of the London Stock Exchange Limited or permission for any of the equity share capital of the Company to be dealt in on any recognised investment exchange (as defined in section 207 of the Financial Services Act 1986) becomes effective; or

3.3.2.2 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.

3.3.3 On the dates fixed for any redemption the Company shall pay to each registered holder of 'A' preference shares 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 shares 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 any redemption shall be made

among such holders pro rata (as nearly as may be) to their respective holdings. If on the date 'A' preference shares are to be redeemed under this article there are any 'A2' preference shares still in issue then where the same person holds both 'A1' preference shares and 'A2' preference shares any redemption shall be made of those classes pro rata (as nearly as may be) to the numbers of each such class held.

- 3.3.4 Subject to article 3.3.5 the Company shall pay on each of the 'A' preference shares so redeemed the sum of £1 and shall contemporaneously pay any arrears or accruals of the Preference Dividend calculated to the date of redemption and in the absence of any direction to the contrary by the holder of the relevant preference share any moneys paid on redemption of such share shall relate first to the said arrears and accruals of Preference Dividend. The Preference Dividend shall cease to accrue from the date of payment of the redemption moneys.
- 3.3.5 Contemporaneously upon the redemption of any 'A' preference shares under this article the Company shall pay a special dividend on each share to be redeemed of 10 pence net of the associated tax credit. If by 31 March 2003 the Company has redeemed at least 1,912,500 'A' preference shares (excluding 'A' preference shares redeemed pursuant to a syndication under article 18 and clause 12 of the Investment Agreement) then the remaining 'A' preference shares shall be redeemed at £1 per share but no special dividend shall be paid on redemption. If all the subsisting 'A' preference shares are redeemed pursuant to article 3.3.2.1 or 3.3.2.2 on or prior to 31 March 2003 the special dividend payable on redemption shall be recalculated so that it equals 5 pence per share net of the associated tax credit on all 'A' preference shares redeemed by the Company whether previously or pursuant to article 3.3.2.1 or 3.3.2.2 (taking full account of the special dividends on redemption previously paid provided that the holders of the 'A' preference shares shall not be required to repay any special dividend previously paid to them). If a holder of 'A' preference shares so directs the Company shall instead of paying the special dividend increase the redemption price by 10 pence in respect of each such preference share so redeemed.

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 75% of the issued shares of that class. Without prejudice to the generality of this article, the special rights attached to the 'A' ordinary shares shall be deemed to be varied:-
- 4.1 (other than as required pursuant to a syndication under article 18) by the grant of any option or other right to subscribe for shares and by any alteration or increase 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; 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; or
- 4.4 by the application by way of capitalisation of any sum in or towards paying up any share or loan capital 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; 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 (save in accordance with article 9.3.1) 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 the appointment or removal of auditors to the Company; or
- 4.10 by any alteration of the Company's accounting reference date; 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 shares.

Lien

5. 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

6. 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

7. 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.
- 8.1 For the purposes of these articles:-

8.1.1 '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;

8.1.2 'Family Trust' in relation to a settlor means a trust which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of:-

8.1.2.1 that settlor and/or a Privileged Relation of that settlor; or

8.1.2.2 any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities);

and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or the settlor or the Privileged Relations of the settlor;

8.1.3 'settlor' includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy.

8.1.4 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 or up to 50% of the total number of shares originally held by him to trustees to be held upon a Family Trust of which he is the settlor provided that any transfer of shares to trustees to be held upon a Family Trust made during the lifetime of such member may only be made with the consent in writing of the holders of 75% of the 'A' ordinary shares.

8.1.5 Where the consent of a holder of 'A' ordinary shares is requested to a transfer to a Family Trust such consent shall be given when the holder is satisfied:-

- 8.1.5.1 with the terms of the trust instrument and in particular with the powers of the trustees;
- 8.1.5.2 with the identity of the proposed trustees;
- 8.1.5.3 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.

8.2 Where any shares are held by trustees upon a Family Trust:-

- 8.2.1 on any change of trustees such shares may be transferred to the new trustees of that Family Trust;
- 8.2.2 such shares may be transferred at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor; and
- 8.2.3 if and whenever any such shares cease to be held upon a Family Trust (otherwise than in consequence of a transfer to the settlor or to any Privileged Relation of the settlor) or there cease to be any beneficiaries of the Family Trust other than a charity or charities a Transfer Notice (as hereinafter defined) shall be deemed to have been given in respect of the relevant shares (as hereinafter defined) by the holders thereof and such shares may not otherwise be transferred;
- 8.2.4 for the purposes of this article the expression 'relevant shares' means and includes the shares originally transferred to the trustees and any additional shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them.

8.3 Subject always to article 8.4, 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:-

- 8.3.1 all shares held by the Employee Member; and
 - 8.3.2 all shares originally held by the Employee Member but held by his Privileged Relations and/or Family Trusts and all shares acquired by his Privileged Relations and/or Family Trusts by virtue of the holding of such shares and held at the time of such cessation.
- 8.4 Where the Employee Member ceases to be an employee or director as described in Article 8.3 by reason of death, ill health or permanent incapacity then the provisions of this Article 8.4 shall determine the number of shares held by the Employee Member in question (or his Privileged Relations and/or Family Trusts) in respect of which a Transfer Notice shall be deemed to have been served pursuant to Article 8.3. Unless the board of directors of the Company resolves that the deemed Transfer Notice shall apply to all such shares so held the deemed Transfer Notice shall apply as follows:-
- 8.4.1 where the Transfer Notice is deemed to be served on or prior to 31 March 1997, it shall apply in respect of 100% of the ordinary shares in question;
 - 8.4.2 where the Transfer Notice is deemed to be served on 31 March 1998, it shall apply in respect of 75% of the ordinary shares in question;
 - 8.4.3 where the Transfer Notice is deemed to be served on 31 March 1999, it shall apply in respect of 50% of the ordinary shares in question;
 - 8.4.4 where the Transfer Notice is deemed to be served on or after 31 March 2000, it shall apply in respect of 25% of the ordinary shares in question.

Provided that if the date on which the Transfer Notice is served falls between the dates referred to in 8.4.1 to 8.4.4 above then the number of shares to which the deemed Transfer Notice shall apply shall be calculated (to the nearest whole number of shares) by interpolating between such dates on a linear basis.

Those shares in respect of which no Transfer Notice is deemed to have been served pursuant to this sub-article 8.4 ('Vested Shares') shall be subject to a restriction on voting to the effect that the votes attaching to such Vested Shares shall on a poll be deemed to have been cast as the majority of ordinary shares (disregarding the Vested Shares) shall have been cast on such poll.

- 9.1 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 these articles 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 if the Transfer Notice is a deemed Transfer Notice 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 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. Save that if the Transfer Notice is served or deemed served prior to the second anniversary of the date of adoption of these articles (otherwise than in circumstances where article 8.4 applies) the Sale Price shall be the lesser of the fair value so certified and £1. Provided further that if the Transfer Notice is deemed to be served prior to the second anniversary of the date of adoption of these Articles in circumstances where Article 8.4 applies the Sale Price shall be the greater of (i) £1 together with any dividends accrued but unpaid (grossed up at the rate of corporation tax then in force calculated to the date of transfer) in respect of the ordinary shares in question and (ii) the fair value as aforesaid. Save for shares sold pursuant to a deemed Transfer Notice the Transfer Notice may contain a provision that unless all the shares comprised therein are sold by the Company pursuant to this article none shall be sold and any such provision shall be binding on the Company.
- 9.2 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.

9.3 Upon the price being fixed as aforesaid and provided the Vendor shall not give a valid notice of cancellation the Sale Shares shall be offered for sale as follows:-

- 9.3.1 subject to compliance with the provisions of the Act for purchase by the Company under the Act. The directors shall proceed to convene as soon as practicable an extraordinary general meeting to circulate a written resolution to approve the purchase contract on the terms specified in this article and, if required, to approve a payment in respect of the purchase otherwise than out of distributable profits or the proceeds of a fresh issue of shares, and the directors shall ensure that the other formalities required by the Act are expeditiously complied with. The directors may authorise any persons nominated by them to execute the purchase contract on behalf of the Vendor which shall thereupon be binding upon him. During the time required to complete the formalities of the purchase time shall not run for the purpose of any time limit stated in any other provision of this article 9;
- 9.3.2 in the case of a transfer of ordinary shares, if and to the extent that the Company does not purchase the Sale Shares within 90 days following the offer being made to it pursuant to article 9.3.1 they (or such of them as not already purchased pursuant to the foregoing provisions of this article 9.3) shall be offered to any Employee Benefit Trust ('EBT') which may be set up by the Company;
- 9.3.3 ~~subject to article 9.3.4~~ in the case of a transfer of ordinary shares, if and to the extent that the EBT does not purchase the Sale Shares offered to it within 30 days of the offer being made to it pursuant to article 9.3.2 or ~~(subject to article 9.3.4)~~ in the case of a transfer of any other shares ~~or if the Company does not have an EBT~~ if the Company does not purchase the Sale Shares within 90 days following the offer being made to it under article 9.3.1, they (or such of them as not already purchased pursuant to the foregoing (or subsequent, where applicable) provisions of this article 9.3) shall be offered 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;

- 9.3.4 if the board so resolves, the Sale Shares (or part thereof) may, in the case of a deemed Transfer Notice in respect of ordinary shares pursuant to article 8.3, be offered to any person deemed by the Board to be a suitable replacement for the person deemed to have given the said Transfer Notice and any transfer to such replacement shall be made free from the restrictions on transfer contained in these articles. The Sale Shares (or part thereof) may be so offered to such replacement for a period of 30 days following any failure by the EBT to purchase such shares pursuant to article 9.3.2, or if there is no EBT, within a period of 30 days following the expiry of the 90 day period referred to in article 9.3.2.

- 9.4 If the Company shall pursuant to the above provisions of this article purchase all or any of the Sale Shares or 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. 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.

- 9.5 If the Company has not purchased all of the Sale Shares and 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.
- 9.6 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 an Investor or to any member of an Investor's Group.
- 9.7 The foregoing provisions of this article shall not apply to the following transfers which may be made without restriction as to price or otherwise and any such transfers shall be registered by the directors:-
- 9.7.1 any transfer by a member to any person with the prior consent in writing of the holders of 75% of the 'A' ordinary shares and the holders of 75% of the ordinary shares;
- 9.7.2 any transfer by any member of an Investor's Group to any other member in the same Investor's Group (provided that if such transferee ceases to be a member of the Investor's Group it shall forthwith transfer the relevant shares to a member of the relevant Investor's Group);
- 9.7.3 a transfer of any shares in the Company held by an Investor (or a nominee of an Investor) who is:-
- (1) a person whose principal business is to make, manage or advise upon investments (an "Investment Manager"); or

(2) a fund, partnership, company, syndicate or other entity whose principal purpose is to make investments and whose business is managed by an Investment Manager (an "Investment Fund"); or

(3) a nominee of an Investment Manager or an Investment Fund

may be made between the Investor (or its nominee) and:-

(A) where the Investor is an Investment Manager or a nominee of an Investment Manager:-

(i) any participant or partner in or member of any Investment Fund in respect of which the shares are held (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course);

(ii) any Investment Fund whose business is managed by the Investment Manager who is or whose nominee is the transferor;

(iii) any other Investment Manager who manages the business of the Investment Fund in respect of which the shares are held;

(B) where that Investor is an Investment Fund or a nominee of an Investment Fund:-

(i) any participant or partner in or member of the Investment Fund which is or whose nominee is the transferor (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course);

- (ii) any other Investment Fund whose business is managed by the same Investment Manager as the Investment Fund which is or whose nominee is the transferor;
- (iii) the Investment Manager who manages the business of the Investment Fund which is or whose nominee is the transferor

(or, in any such case, a nominee on behalf thereof);

9.7.4 any transfer made by 3i to a Syndicatee pursuant to Clause 12.1(B) of the Investment Agreement.

9.8 Subject to the provisions of articles 8 and 10 any purported transfer of shares otherwise than in accordance with the foregoing provisions of this article 9 shall be void and have no effect.

Limitation on transfer of control

10.1 Without prejudice to the rights of pre-emption set out in these Articles 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 75% of the 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 by a person or persons 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 ordinary shares at the Specified Price (as hereinafter defined).

10.2 For the purpose of this article:-

10.2.1 the expression 'a Controlling Interest' shall mean an interest in shares in a company conferring in the aggregate 50% or more of the total voting rights for the time being conferred by all the issued shares in that company taking account of restrictions on voting rights contained in the articles of association of that company taking account of restrictions on voting rights contained in the articles of association of that company;

- 10.2.2 the expression 'Original Members' shall mean persons who were members of the Company on the date of the adoption of these articles and the Privileged Relations and Family Trusts of such members;
- 10.2.3 the expressions 'transfer' and 'transferee' shall include respectively the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment.
- 10.2.4 the expression 'Specified Price' shall mean the price per share offered by the proposed transferee or transferees for the other equity share capital of the Company (on the basis that any sum per share paid by such transferee or transferees for 'A' preference shares in excess of £1.10 plus a sum (per share) equal to any arrears or accruals of dividends on the 'A' preference shares grossed up at the rate of corporation tax then in force calculated down to the date of sale or transfer shall be deemed to be offered in respect of such equity share capital). In the event of disagreement the calculation of the Specified Price shall be referred to an umpire (acting as an expert not arbitrator) nominated by the persons concerned (or in the event of disagreement, appointed by the President for the time of the Institute of Chartered Accountants for England and Wales) whose decision shall be final and binding.
- 10.3 10.3.1 If the holders of 75% in nominal value of the "A" ordinary shares in issue for the time being (the "Selling Shareholders") wish to transfer all their interest in Equity Shares constituting a Controlling Interest to a person not already a member of the Company and not a member of an Investor's Group and not a connected person (as defined by section 839 Income and Corporation Taxes Act 1988) of an Investor (the "Third Party Purchaser") and the holders of 50% or more of the voting rights then conferred on all the 'A' preference and ordinary share capital of the Company agree to such proposed transfer the Selling Shareholders shall have the option (the "Come Along Option") to require all the other holders of Equity Shares ('the Called Shareholders') to sell with full title guarantee and transfer all their shares to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with this Article 10.3.
- 10.3.2 The Selling Shareholders may exercise the Come Along Option by giving notice to that effect (a "Come Along Notice") at any time before the transfer of Shares of

the Selling Shareholders. A Come Along Notice shall specify that the Called Shareholders are required to transfer all their Equity Shares (the "Called Shares") pursuant to this Article 10.3, the person to whom they are to be transferred, the price at which the Called Shares are to be transferred (to be the Specified Price as calculated pursuant to article 10.2.4) and the proposed date of transfer ("Completion").

10.3.3 A Come Along Notice is irrevocable but the Come Along Notice and all obligations thereunder will lapse if for any reason there is not a sale of Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of the Come Along Notice.

10.3.4 The Called Shareholders shall be obliged to sell each of the Called Shares at the Specified Price as defined in article 10.2.4.

10.3.5 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Selling Shareholders' Equity Shares unless:

10.3.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise; or

10.3.5.2 that date is less than 3 days after the Come Along Notice, where it shall be deferred until the 3rd day after the Come Along Notice.

10.3.6 The rights of pre-emption set out in these Articles shall not arise on any transfer of shares to a Third Party Purchaser (or as he may direct) pursuant to a sale in respect of which a Come Along Notice has been duly served.

10.3.7 If any holder of Equity Shares does not on Completion of the sale of Called Shares execute transfer(s) in respect of the Called Shares held by him the Directors shall be irrevocably entitled to and shall authorise and instruct such person as they shall think fit to execute necessary transfer(s) on his behalf and against receipt by the Company (on trust for such member) of the purchase moneys payable for the Called Shares deliver such transfer(s) to the Third Party Purchaser (or as he may direct) and register the Third Party Purchaser (or as he

may direct) as the holder thereof and, after the Third Party Purchaser (or his nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any person.

Voting

11.1 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 share in the capital of the Company of which he is the holder.

11.2 The holders of the 'A' 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 unless:-

11.2.1.1 any of the Preference Dividend has not been paid within twelve months of the relevant date set out in these articles or;

11.2.1.2 on the relevant due date for redemption the Company shall have failed to redeem any of the 'A' preference shares then due for redemption;

and

11.2.2 the holders of all of the 'A' preference shares have given notice in writing to the Company requiring payment of arrears of dividend and/or redemption of the relevant 'A' preference shares within seven days of the date such notice; and

11.2.3 such seven days notice expires without either:-

(i) payment of such arrears of dividend and/or the redemption of such 'A' preference shares; or

- (ii) the making of proposals in respect of such arrears or redemption, being proposals accepted by the holders of not less than 75 % of the 'A' preference shares; or
- (iii) approval (including if such is the case by way of a current Annual Business Plan already approved by them providing for the same) by the holders of not less than 75% of the 'A' preference shares of an Annual Business Plan of the Company providing for the payment of such arrears of dividend and/or redemption of such 'A' preference shares during the next financial year of the Company;

when the holders of the 'A' preference shares shall have one vote for each preference share held by them.

11.3 Notwithstanding the provisions of Article 11.1 and 11.2, for so long as any member of the 3i Group is the holder of any shares in the capital of the Company, the number of votes attaching to all the shares held by members of the 3i Group shall be restricted so that the voting rights conferred on all members of the 3i Group in respect of all such shares shall represent the lesser of:

11.3.1 49% of the voting rights attaching to all shares in the capital of the Company after the application of this restriction; and

11.3.2 the percentage of the voting rights which would be conferred on all members of the 3i Group in respect of all such shares but for the application of this restriction.

Appointment of Directors

12.1 Subject to the provisions of article 12.2, 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 carrying voting rights representing more than 50% of the voting rights attaching to all shares in the capital of the Company may by notice in writing 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.

- 12.2 The appointment of any director pursuant to article 12.1 may only be made with the previous consent in writing, prior to the redemption of all the 'A2' ordinary shares and 'A2' preference shares of the Special Director who has been appointed pursuant to article 16 and, following the redemption of all such shares, of the holders of 75% of the 'A' ordinary shares.

Proceedings of Directors

13. 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.
- 14.1 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:-
- 14.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
 - 14.1.2 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;
 - 14.1.3 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;
 - 14.1.4 shall not by reason of his office be accountable to 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
 - 14.1.5 shall be entitled to vote and be counted in the quorum on any matter concerning the foregoing paragraphs of this article.

14.2 For the purposes of this article:-

- 14.2.1 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 an interest in any such transaction of the nature and extent so specified;
- 14.2.2 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
- 14.2.3 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.

Directors' Borrowing Powers

15. Subject as hereinafter provided the directors may exercise all the powers of the Company (whether express or implied):-

- 15.1 of borrowing or securing the payment of money;
- 15.2 of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts; and
- 15.3 of mortgaging or charging the property assets and uncalled capital of the Company and (subject to section 80 of the Act) of issuing debentures

but so that:-

- 15.4 the directors of the Company shall procure that the aggregate amounts for the time being remaining undischarged by virtue of any of the foregoing operations by the Company and all subsidiaries of the Company and by virtue of any like operations by the Company and

all subsidiaries of the Company (including any liability (whether ascertained or contingent) under any guarantee for the time being in force and including amounts due under any hire purchase, credit sale, conditional sale or leasing agreements (other than leases of real or heritable property) which can in accordance with current accounting practice be attributed to capital but excluding inter-company loans, mortgages and charges) shall not without the previous sanction of the holders of 75% of the 'A' ordinary shares exceed the sum of £7,500,000;

- 15.5 no such sanction shall be required to the borrowing of any sum of money intended to be applied in the repayment (with or without premium) of any moneys then already borrowed and outstanding, notwithstanding that the same may result in such limit being exceeded;
- 15.6 no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this article is observed and no debt or liability incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to whom the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed has been or was thereby exceeded;
- 15.7 except with the previous sanction of the holders of 75% of the 'A' ordinary shares no mortgage or charge shall be created on any part of the undertaking property or assets of the Company or any subsidiary of the Company except for the purpose of securing moneys borrowed from any member of an Investor's Group with interest thereon and from bankers with interest thereon and bank charges.

Special Director

16. Notwithstanding any other provisions of these articles an Investor Majority shall be entitled by notice in writing to appoint as a director of the Company any person (herein referred to as the 'Special Director') and to remove from office any person so appointed and to appoint another person in his place. Upon request by an Investor Majority 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 the sum of £15,000 per annum. Upon request by an Investor Majority the Company shall also procure that

the Special Director be appointed a director to any subsidiary of the Company. For the purposes of these articles the expression 'an Investor Majority' shall mean the holders of at least three quarters of the total nominal value of equity share capital of the Company held by Investors (PROVIDED THAT for the purposes of this definition shares held by a member of an Investor's Group shall be deemed to be held by the relevant Investor).

Indemnity

17. 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 judgment 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.

Syndication

- 18.1 Subject to the provisions of the Act, forthwith upon the issue by the Company to one or to more Syndicatees of 'A1' ordinary shares and 'A1' preference shares, the Company shall redeem equal numbers of 'A2' ordinary shares and 'A2' preference shares respectively out of the proceeds of such issue. The shares to be redeemed under this article are herein referred to as 'Redemption Shares.'
- 18.2 The Company shall pay to each holder of Redemption Shares (or as it shall direct) upon redemption of such shares a sum equal to the subscription price paid for such shares. The redemption moneys shall be paid in accordance with the provisions of an Accession Agreement entered into pursuant to the Investment Agreement. Upon receipt of the redemption moneys each holder of Redemption Shares shall surrender to the Company the certificates for his Redemption Shares in order that they may be cancelled provided that if any certificate so surrendered includes any shares not redeemable at that time the Company shall issue to the holders a fresh certificate for the balance of the shares not redeemable.

- 18.3 Upon redemption of the Redemption Shares all rights to any arrears, deficiency or accruals of dividends shall be extinguished.
- 18.4 Each Syndicatee shall, notwithstanding the date upon which he becomes a member of the Company and in addition to his rights under article 3.1, be entitled to receive by way of dividend on each 'A1' ordinary share and each 'A1' preference share subscribed by him out of the profits of the Company available for distribution an amount equal to all arrears, deficiencies or accruals of dividends to which each of the 'A2' ordinary shares and each of the 'A2' preference shares redeemed under this article 18 would have been entitled if such shares had not been redeemed in accordance with this article 18 on the dates on which such dividends would have been payable.
- 18.5 For the purposes of section 80 of the Act the directors are hereby unconditionally authorised to allot to Syndicatees up to a total of 142,500 'A1' ordinary shares of one penny each and 1,816,875 'A1' preference shares of one penny each. By virtue of section 91 of the Act section 89(1) of the Act shall not apply to any such allotments. The authority contained in this sub-article shall terminate 5 years after the date of the adoption of these articles.
- 19.1 The other provisions of these articles are subject to the following provisions of this article.
- 19.2 In favour of National Westminster Bank plc ('the Bank') and the Company and as consideration for the Bank agreeing to make available certain facilities pursuant to the credit agreement dated 25 April 1996 ('the Credit Agreement') made between the Company and the Bank, each of the members (which expression includes all Syndicatees, assignees or, as the case may be, transferees who by becoming entitled under these articles, agree to be bound by this article) hereby acknowledges and agrees that (save as may otherwise be agreed by the Bank in writing) all of its rights to distributions and payments arising exclusively in relation to shares of any class in the capital of the Company and arising under these articles ('Rights') are qualified so that none of such members may in relation to any claim it may have against the Company be paid any money pursuant to the Rights during the currency of a Prohibition Notice (as hereinafter defined) served by the Bank on the Company and on 3i in accordance with the terms of the Credit Agreement in relation to such payment.

- 19.3 For the purposes of this article 19 'Prohibition Notice' means notice served or to be served on the Company in accordance with clause 10.4(e) or clause 11.1(m) of the Credit Agreement which prohibits the Company from making dividend payments and redemptions of its shares respectively.
- 19.4 Where any dividend or redemption or other payment due to any member is not paid upon the due date for payment thereof in consequence of the provisions of this article 19 such dividend or redemption or other payment shall become payable (provided that the terms of the Credit Agreement are at all times complied with) to the extent that the making of such payment ceases to be reasonably expected to cause a breach of any of the Financial Covenants or cause any other Default or Default Occurrence or, as the case may be, such Default or Default Occurrence otherwise ceases to continue and in such circumstances the Company shall use all reasonable endeavours to procure that such payment(s) is made including complying with all relevant provisions of the Credit Agreement.
- 19.5 The provisions of this article 19 shall not operate to prevent any money becoming due to a member hereunder provided that any money due to a member shall only be payable to the extent that payment of the same does not breach any of these articles.
- 19.6 Where, subsequent to a Prohibition Notice (which is continuing) being served, a payment to which the Prohibition Notice refers is made by the Company the recipient member shall forthwith return such payment to the Company upon receipt of a written request to do so from the Company and pending such payment shall hold the payment received by it on trust for the Company.