

No. 3145691

THE COMPANIES ACT 1985

WRITTEN RESOLUTION

of

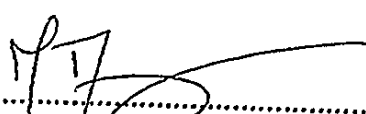
HAMPTONS GROUP LIMITED

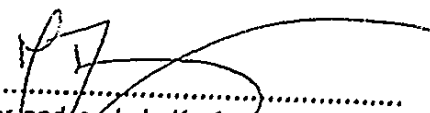
We, the undersigned, being all the holders of the A Preferred Ordinary Shares of 10p in the capital of the above-named Company ("the Company") for the time being entitled to attend and vote at separate class meetings of the Company unanimously resolve in accordance with section 381A of the Companies Act 1985:-

EXTRAORDINARY RESOLUTION

THAT sanction be and is given to the passing by the Company of the written resolutions numbered 1 to 6 set out in the attached schedule on 19 September, 1997 and to all modifications, abrogations and variations of the special rights attaching to the A and B Preferred Ordinary Shares in the capital of the Company made or deemed to be made by the same.

Dated 19 September 1997


.....
For and on behalf of
NATWEST VENTURES NOMINEES LIMITED


.....
For and on behalf of
NATWEST VENTURES LIMITED

SCHEDULE

1. THAT, subject to all the current issued cumulative redeemable preference shares of £1 each in the capital of the Company having been redeemed by the Company at par value [(together with the payment of any accrued dividends on such preference shares payable on such redemption)] and such redemption having been approved by National Westminster Bank Plc ("Redemption") all of the A Preferred Ordinary shares of 10p and all of the B Preferred Ordinary Shares of 10p each in the capital of the Company, be consolidated into one share of £70,226.70 and the resulting one share of £70,226.70 in the capital of the Company be sub-divided into 702,267 Ordinary shares of 10p each.
 2. THAT, subject to Redemption having taken place, 2,363,558 cumulative redeemable preference shares of £1 each in the capital of the Company, which at the date of the passing of this resolution have not been taken or agreed to be taken by any person, be cancelled and the authorised share capital of the Company be diminished by the nominal amount of the shares so cancelled.
 3. THAT, subject to the passing of resolution 2 and resolution 6 and Redemption, the authorised share capital of the Company be increased from £117,037.1 to £117,041.4 by the creation of 43 new Ordinary shares of 10p each having attached thereto the rights set forth in the new Articles of Association to be adopted pursuant to resolution 6.
 4. THAT subject to Redemption having taken place, for the purposes of section 80 of the Companies Act 1985 (and so that expressions used in this resolution shall bear the same meanings as in the said section 80):-
 - (i) the Directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities up to a maximum nominal amount of £10,844.60 to such persons and at such times and on such terms as they think proper during the period expiring at the end of five years from the date of the passing of this resolution;
 - (ii) the Company be and is authorised to make prior to the expiry of such period any offer or agreement which would or might require relevant securities to be allotted after the expiry of the said period and the Directors may allot relevant securities in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution;
- so that all previous authorities of the Directors pursuant to the said section 80 be and they are hereby revoked.
5. THAT, in accordance with section 95 of the Companies Act 1985 ("the Act") the Directors be and are empowered to allot equity securities (as defined in sub-section (2) of section 94 of the Act) for cash pursuant to the authority conferred on them to allot relevant securities (as defined in section 80 of the Act) by the resolution numbered 4 above up to a maximum nominal value of £10,844.60 as if sub-section (1) of section 89 of the Act did not apply at any time or times.

6. THAT, subject to Redemption having taken place, pursuant to section 9 of the Companies Act 1985, the Articles of Association of the Company be deleted in their entirety and the regulations contained in the document submitted to the Meeting and for the purpose of identification signed by the Chairman be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.

COMPANY NUMBER: 3145691

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

- OF -

HAMPTONS GROUP LIMITED

(ADOPTED BY SPECIAL RESOLUTION PASSED ON 19 SEPTEMBER 1997)

TEAVERS SMITH BRAITHWAITE
10 SNOW HILL
LONDON EC1A 2AL

Tel: 0171-248 9133
Fax: 0171-236 3728

CONTENTS

Article		Page
1.	Preliminary	1
2.	Definitions	1
3.	Share Capital	4
4.	Return of Capital Rights	5
5.	Voting Rights	5
6.	Lien	5
7.	Tag Along Right	6
8.	Drag Along Rights	7
9.	Pre-emption Provisions	9
10.-11	Permitted Transfers	11
12.	Compulsory Transfers	13
13.	Relationship to the Credit Agreement	16
14.	Annual General Meetings	17
15.	Proceedings at General Meetings	17
16.	Nominated Directors	18
17.	Number of Directors	19
18.	Alternate Directors	19
19.	Proceedings of Directors	19
20.	Retirement by Rotation	20
21.	Borrowing Powers	20

1. PRELIMINARY

1.1 The regulations contained or incorporated in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 shall apply to the Company save insofar as they are excluded or modified by or are inconsistent with the regulations hereinafter contained and the regulations contained in Table A and the regulations herein contained shall be the articles of association of the Company ("the Articles").

1.2 Regulations 24, 25, 40, 41, 46, 50, 51, 52, 54, 64, 65, 73, 74, 75, 79, 80, 82, 87 89 and 96 and the third and fifth sentences of Regulation 88, and the last sentence of Regulation 112 of Table A shall not apply to the Company.

2. DEFINITIONS

2.1 In these Articles the following expressions shall have the following meanings:-

Act	the Companies Act 1985;
Auditors	the auditors of the Company from time to time;
Board	the board of directors of the Company from time to time or any duly authorised committee thereof;
Borrowings	<p>all monies borrowed or raised by members of the Group and to the extent not otherwise taken into account:-</p> <p>(a) all amounts of any third party indebtedness (excluding intra-group liabilities) for the time being the subject of a guarantee or indemnity given by, or any other form of analogous comfort enforceable against, any Group Company, in favour of any other person;</p> <p>(b) the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of a Group Company;</p> <p>(c) the principal amount of any debenture (whether secured or unsecured) of any Group Company owed otherwise than to any other Group Company;</p> <p>(d) the principal amount of any preference share capital of any subsidiary owned otherwise than by a Group Company;</p> <p>(e) any premium payable on final repayment of any borrowing or deemed borrowing; and</p>

	(f) the aggregate liabilities (whether presently payable or arising in the future) arising under all credit sale, hire purchase and any other agreements of Group Companies providing for payment on deferred terms but excluding normal trade credit arising in the ordinary course of business (which shall include, without limitation, arrangements whereby, in the normal course of trading, goods are supplied to members of the Group subject to retention of title);
Family Trust	a trust or settlement set up by an employee and/or director of the Company or any Group Company the only beneficiaries of which are such person and/or his Related Persons (notwithstanding one or more charities may be named as residual beneficiaries of that trust);
Galapino	Galapino Investments Limited a company registered in the British Virgin Islands under number 173604, of Ansbacher BVI Limited, International Trust Building, PO Box 659, Rodetown, Tortola, BVI;
Group	the Company and its subsidiary undertaking(s) (if any) from time to time and references to "Group Company" and "member(s) of the Group" shall be construed accordingly;
Investor Associate	a member of NWV's Investor Group (other than NWV itself) and any company, fund (including any unit trust or investment trust) or partnership, the assets of which are for the time being managed or advised upon (whether solely or jointly with others) by NWV or any member of an Investor Group;
Investor Group	a group of companies comprising the company of which NWV is a wholly-owned subsidiary and any other wholly-owned subsidiary of such holding company, including NWV and its wholly-owned subsidiaries;
Issue Price	the price per share at which the relevant shares are issued being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium;
Major Shareholder	(i) any member of the Company (not being NWV or any Investor Associate) in whose name 5% or more of the issued ordinary share capital of the Company from time to time is registered; or (ii) NWV for so long as 5% or more of the issued ordinary share capital of the

Company in aggregate is registered in the name of NWV and/or any Investor Associates.

Nominated Director	any director of the Company for time being appointed by any of the Major Shareholders pursuant to Article 16.1;
NWV	each and any of NatWest Ventures Nominees Limited (acting as nominee for NatWest Ventures, a limited partnership established under the Limited Partnerships Act 1907 and for certain other persons who are entitled to co-invest with NatWest Ventures) or any other person to whom it has transferred its shares in accordance with the provisions of these Articles;
Ordinary Shares	the ordinary shares of 10p each in the capital of the Company;
Permitted Transfer	a share transfer permitted under the terms of Article 10;
Permitted Transferee	a person to whom shares can be transferred in accordance with Article 10;
Quotation	the admission of the whole of any class of the issued share capital of the Company to the Official List of the London Stock Exchange Limited or to trading on the Alternative Investment Market of the London Stock Exchange Limited or to any other recognised investment exchange (within the meaning of section 207 of the Financial Services Act 1986);
Related Persons	in relation to any person (or deceased person) any one or more of the following:- his wife or her husband, his widow or her widower, his or her father or mother, his or her child or remoter issue;
Sale	the unconditional completion of the sale of the whole of the issued equity share capital of the Company to a single purchaser or to one or more purchasers as part of a single transaction.

2.2 The terms "subsidiary", "subsidiary undertaking", "wholly-owned subsidiary", "parent undertaking", "holding company", "financial year", "director", "body corporate" and "equity share capital" shall have the meanings respectively attributed to them at the date of the adoption of these Articles by the Act and the term "connected person" shall have the meaning attributed to it at the date of the adoption of these Articles by section 839 Income and Corporation Taxes Act 1988 and the words "connected with" shall be construed accordingly.

2.3 A reference to any statutory provision in these Articles:-

2.3.1 includes any order, instrument, plan, regulation, permission and direction made or issued under such statutory provision or deriving validity from it; and

2.3.2 shall be construed as a reference to such statutory provision as in force at the date of adoption of these Articles (including, for the avoidance of doubt, any amendments made to such statutory provision that are in force at the date of the adoption of these Articles); and

2.3.3 shall also be construed as a reference to any statutory provision of which such statutory provision is a re-enactment or consolidation; and

2.3.4 shall also be construed as a reference to any later statutory provision which re-enacts or consolidates such statutory provision.

2.4 Words importing one gender shall (where appropriate) include any other gender, and words importing the singular shall (where appropriate) include the plural and vice versa.

2.5 References in these Articles to "Regulations" and "Articles" are to regulations of Table A and to the regulations contained in these Articles respectively.

2.6 A reference in these Articles to any transfer of any share in the Company shall mean the transfer of either or both of the legal and beneficial ownership in such share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such share and the following shall be deemed (but without limitation) to be a transfer of a share in the Company:-

2.6.1 any direction (by way of renunciation or otherwise) by a member entitled to an allotment or issue of any share that such share be allotted or issued to some person other than himself; and

2.6.2 any sale or other disposition of any legal or equitable interest in a share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing.

2.7 References to the "date of adoption of these Articles" shall, if the special resolution or written resolution of shareholders of the Company adopting these Articles is conditional, be construed as references to the date on which such resolution becomes wholly unconditional.

3. SHARE CAPITAL

The authorised share capital of the Company is £117,041.40 divided into 1,170,414 Ordinary Shares.

4. RETURN OF CAPITAL RIGHTS

On a return of capital on liquidation or otherwise (except on the purchase by the Company of its own shares), the surplus assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the Ordinary Shares according to the number of such shares held by each of them rateably and equally.

5. VOTING RIGHTS

5.1 On a show of hands every member holding one or more Ordinary Shares who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, shall have one vote and on a poll every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote for each Ordinary Share in the capital of the Company of which it is the holder.

5.2 Notwithstanding any of the other provisions of these Articles, if any transfer of shares or any interest therein in the capital of the Company has been made in breach of any provision of these Articles then the holder for the time being of the shares in question (whether the transferor or the transferee) shall cease forthwith to be entitled to exercise any votes in respect of the transferred shares at any general meeting until the relevant breach has been remedied.

5.3 If at any time:-

5.3.1 a holder of Ordinary Shares is in material breach of the provisions of these Articles (including a transfer in breach of the provisions of these Articles); or

5.3.2 any holder of Ordinary Shares, or person entitled to Ordinary Shares, becomes a Leaver (as defined in Article 12);

then:-

- (1) the Ordinary Shares of which such member is the holder or to which such person is entitled; and
- (2) any Ordinary Shares formerly held by such member which have been transferred either in breach of the provisions of these Articles or in accordance with Article 10;

shall immediately cease to entitle the holder(s) thereof to voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting or at a separate class meeting) and such disenfranchisement shall continue, in the case of Article 5.3.1, for so long as such breach subsists or, in the case of Article 5.3.2, until such time as the Leaver ceases to be a holder of such shares.

6. LIEN

The lien conferred by Regulation 8 shall attach to all shares of any class, 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 two or more joint holders. Regulation 8 shall be modified accordingly.

7. TAG ALONG RIGHT

7.1 No sale or transfer of any Ordinary Shares ("the specified shares"), which if made and registered would result in a person or persons acting in concert obtaining, or as a result of the transfer holding, a Significant Interest (as defined in Article 7.2.1) in the Company, shall be made or registered unless before the transfer is made the proposed transferee has offered in writing to purchase all of the Ordinary Shares then in issue on the same basis at the Specified Price (as defined in Article 7.2.3) ("Offer"). This Article 7.1 shall also apply whenever a person has or has obtained a Significant Interest and proposes to increase that Significant Interest except where a person already owns shares conferring in the aggregate seventy per cent or more of the total voting rights.

7.2 For the purpose of this Article 7:-

7.2.1 the expression "Significant Interest" shall mean shares conferring in the aggregate 35 per cent or more of the total voting rights conferred by all the equity share capital of the Company for the time being in issue to vote at all general meetings ("Rights") where the proposed transferee is a member of the Company on the date of the Offer and 10 per cent of the Rights in all other cases;

7.2.2 the expressions "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment;

7.2.3 the expression "the Specified Price" shall mean a consideration per share at least equal to the aggregate of (1) that offered or paid or payable by the proposed transferee for each of the specified shares; and (2) the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the specified shares; and in the event of disagreement as to the amount of the Specified Price, its calculation shall be determined by an umpire (who shall act as an expert and not as an arbitrator) nominated by the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales upon the application of any of such parties) whose determination shall be final and binding; and

7.2.4 the expression "persons acting in concert" shall mean any persons who pursuant to an agreement or understanding (whether formal or informal) actively co-operate with each other through the acquisition by any of them of shares in the Company to obtain in aggregate a Significant Interest in the Company and, without prejudice to the generality of the foregoing, the following persons shall for the purposes of this Article be deemed to be persons acting in concert with a transferee namely:-

7.2.4.1 if the transferee is a body corporate, any director of, or shareholder in, the transferee or any person connected with such director or shareholder;

7.2.4.2 any person who is connected with the transferee; and

7.2.4.3 if the transferee is a body corporate, any body corporate which in relation to the transferee is a subsidiary, a holding company or a fellow subsidiary of such holding company.

7.3 The Offer shall be open for a minimum period of 28 days from receipt of the Offer and the same terms (including the Specified Price) shall be offered to all shareholders alike provided that no holder of Ordinary Shares wishing to accept the Offer may be required to give any warranties and/or indemnities on the sale of Ordinary Shares by way of acceptance of the Offer other than to confirm title to and ability to transfer such Ordinary Shares free from all charges, liens, pledges or other encumbrances whatsoever.

7.4 This Article 7 shall not apply to a transfer permitted by Article 10 or to the purchase of Ordinary Shares pursuant to Article 12.11 by the Company or by an employee, prospective employee or person nominated to hold shares as trustee pursuant to Article 12.10.

7.5 The provisions of Article 9 apply to a proposed sale or transfer of the specified shares but do not apply to any transfer or sale of any other shares by way of acceptance of the Offer.

8. DRAG ALONG RIGHTS

8.1 For the purposes of this Article 8 the expression "Qualifying Offer" shall mean a document in writing delivered to all holders of equity share capital in the Company containing a bona fide arms length offer to acquire all the equity share capital of the Company then in issue for a cash consideration equal to not less than the market value of the equity share capital of the Company calculated and determined in accordance with Article 12.12 and of which not less than 14 days prior notice of the intention to make such offer specifying the identity of the offeror and the consideration to be offered) has been given to all Major Shareholders at the time of such notification. Any disagreement as to whether the consideration is not less than such market value shall be referred to an umpire (who shall act as an expert and not as an arbitrator) nominated by the parties concerned (or, in the event of disagreement as to the nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales upon the application of any of such parties) whose decision shall in the absence of manifest error be final and binding. In the event of any disagreement as to whether an offer is a Qualifying Offer, the Qualifying Offer shall not be deemed to have been made until the matter has been resolved by such umpire.

8.2 If at any time a Qualifying Offer is made by or on behalf of any person ("the Offeror") and persons who between them include at least 3 Major Shareholders and then hold more than 50 per cent of all the equity share capital of the Company then in issue ("the accepting shareholders") have accepted the Qualifying Offer within 21 days of the making of the Qualifying Offer, the provisions of Articles 8.3 to 8.8 shall apply. At the end of such 21 day period the Offeror shall within 7 days notify all the other members of the Company which have not accepted the Qualifying Offer within such 21 day period ("the non-accepting shareholders") of such acceptance.

8.3 Following the end of the 7 day period referred to in Article 8.6, the Offeror may provided no counter-offer has been made pursuant to Article 8.6, within 21 days of the end of such period, serve a notice in writing on the non-accepting shareholders requiring them to accept the Qualifying Offer.

8.4 Upon the giving of a valid notice to any non-accepting shareholder pursuant to Article 8.3 the non-accepting shareholder shall, subject to Articles 8.6 to 8.8:-

8.4.1 be deemed to have accepted the Qualifying Offer in respect of all shares held by him in accordance with the terms of the Qualifying Offer and to have irrevocably waived any pre-emption rights that he may have in relation to the transfer of any such shares; and

8.4.2 be obliged to deliver to the proposed transferee or his nominee an executed transfer of such shares and the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof) together with an executed waiver of all such pre-emption rights within 7 days of the giving of such notice to the non-accepting shareholder.

8.5 If any such non-accepting shareholder as is referred to in Article 8.4 shall not, within 7 days of being required to do so, execute and deliver transfers and pre-emption waivers in respect of the shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any accepting shareholder shall be entitled to, and shall be entitled to authorise and instruct such person as he thinks fit to execute the necessary transfers, pre-emption waivers and indemnity on such non-accepting shareholder's behalf and, against receipt by the Company (on trust for such member) of the purchase monies payable for the relevant shares, deliver such transfer(s), certificate(s) (or indemnity in lieu thereof) and pre-emption waivers to the proposed transferee or his nominee and register such transferee or his nominee as the holder thereof, and after such transferee or his nominee has been registered as the holder, the validity of such proceeding shall not be questioned by any person. As security for the obligations above, each member of the Company irrevocably appoints each of the other members of the Company as its attorney to execute and do all such deeds, documents and things, in the name of, and on behalf of the relevant member as may be required to give full effect to the provisions of this Article 8.5.

8.6 At any time within 7 days of service of notice on non-accepting shareholders under Article 8.2, any Major Shareholder (not being an accepting shareholder) may require by notice (the "counter-offer") all the other members of the Company ("the other shareholders") to sell all the then issued equity share capital in the Company not held by that Major Shareholder at a purchase price specified in such notice provided it is no less than under the Qualifying Offer is for cash and on terms no less favourable than the terms of the Qualifying Offer. This counter-offer shall be made in writing and served on the Company and each such member by the relevant Major Shareholder. If more than one Major Shareholder serves a notice of counter-offer, the first to have been served on all the other shareholders shall have priority.

8.7 Upon the giving of a valid notice of counter-offer to the other shareholders pursuant to Article 8.6, the other shareholders shall:-

8.7.1 be deemed to have accepted such counter-offer in respect of all shares held by them in accordance with the terms of such counter-offer and have irrevocably waived any pre-emption rights that they may have in relation to the transfer of any such shares; and

8.7.2 be obliged to deliver to the relevant Major Shareholder or its nominee an executed transfer of such shares and certificate(s) in respect of the same (or a

suitable indemnity in lieu thereof), together with an executed waiver of all such pre-emption rights within 7 days of the giving of such notice to such other shareholder.

8.8 If any such other shareholder as is referred to in Article 8.7 shall not, within 7 days of being required to do so, execute and deliver transfer(s) and pre-emption waivers in respect of the shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof) pursuant to Article 8.7 then the relevant Major Shareholder shall be entitled to authorise and instruct such person as he thinks fit, to execute the necessary transfers, pre-emption waivers and indemnity on such other shareholder's behalf and, against receipt by the Company (on trust for such member) of the purchase monies payable for the relevant shares, deliver such transfer(s), certificate(s) (or indemnity in lieu thereof) and pre-emption waivers to the proposed transferee or his nominee and register such transferee or his nominee as a holder thereof, and after such transferee or his nominee has been registered as the holder, the validity of such proceeding shall not be questioned by any person. As security for the obligations above, each member of the Company irrevocably appoints each of the other members as its attorney to execute and deal with such deeds, documents and things, in the name of, and on behalf of the relevant member as may be required to give full effect to the provisions of this Article 8.8.

8.9 The provisions of Article 9 do not apply to any transfer or sale of any shares by way of acceptance of a Qualifying Offer or counter-offer.

9. PRE-EMPTION PROVISIONS

9.1 Except in the case of a transfer which is a Permitted Transfer or as otherwise expressly stated in these Articles, every member who wishes to transfer any shares ("the Vendor") shall give notice in writing of such wish to the Company ("the Transfer Notice").

9.2 Each Transfer Notice shall:-

9.2.1 specify the number of shares which the Vendor wishes to transfer ("the Sale Shares");

9.2.2 specify the identity of the person to whom the Vendor intends to transfer the Sale Shares ("the Proposed Transferee");

9.2.3 specify the price per share ("the Sale Price") at which the Vendor is prepared to transfer the Sale Shares;

9.2.4 be deemed to constitute the Company the Vendor's agent for the sale of the Sale Shares at the Sale Price in the manner prescribed by these Articles; and

9.2.5 not be varied or cancelled.

9.3 The Vendor may provide in the Transfer Notice that unless purchasers are found for all or not less than a specified number of the Sale Shares, he shall not be bound to transfer any of such shares ("Minimum Transfer Condition") and any such provision shall be binding on the Company.

9.4 The Company shall, within seven days of receipt of a Transfer Notice, offer for purchase each of the Sale Shares to each member (other than the Vendor) at the Sale Price and invite each of them to state in writing within 28 days of the date of despatch of such offer whether he is willing to purchase any, and if so how many, of the Sale Shares.

9.5 If the said members or any of them shall, within such 28 day period, apply for any of the Sale Shares, the Company shall allocate those Sale Shares which have been applied for to all members (if any) who have applied to purchase any of them and, if such members have applied in aggregate for a greater number than the Sale Shares, such allocations shall be made by the Company proportionately (as nearly as practicable) according to the number of shares held by them at the date of the offer.

9.6 If and to the extent that any of the Sale Shares are not applied for by members of the Company within the said period of 28 days, the Company may by notice in writing (given at any time within the period of seven days after the expiry of the said 28 day period) invite any bona fide employee or prospective employee selected by the Board to apply for any of the Sale Shares not applied for by the members of the Company at the Sale Price. If a person or persons so selected by the Board shall apply within seven days of such invitation for any Sale Shares, the Company shall allocate to him or them such number of Sale Shares as it in its absolute discretion decides, subject always to the provisions of Article 9.7.

9.7 No offeree of the Sale Shares shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase. An allocation of Sale Shares made by the Company pursuant to Article 9.5 or Article 9.6 shall constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them.

9.8 Notwithstanding the provisions of Articles 9.5 and 9.6, if the Transfer Notice contains a Minimum Transfer Condition, the Company may not make an allocation of Sale Shares unless and until it has found purchasers for the minimum number specified in any Minimum Transfer Condition within the 28 day period referred to in Article 9.4.

9.9 The Company shall forthwith upon allocating any Sale Shares give notice in writing ("a Sale Notice") to the Vendor and to each person to whom Sale Shares have been so allocated, of the number of Sale Shares allocated to him and the aggregate price payable therefor. Completion of the sale and purchase of those Sale Shares in accordance with the Sale Notice shall take place within seven days after the date of the Sale Notice (and such date shall be stated in the notice given by the Company), whereupon the Vendor shall, upon payment of the price due in respect thereof, transfer those Sale Shares specified in the Sale Notice to the person or persons to whom they have been allocated and deliver the relative share certificates.

9.10 If in any case the Vendor, having become bound as aforesaid, makes default in transferring the Sale Shares, the Company may receive such purchase money and may nominate some person to execute an instrument of transfer of such Sale Shares in the name and on behalf of the Vendor and thereafter, when such instrument has been duly stamped, the Company shall cause the name of the proposed transferee to be entered in the Register of Members as the holder of such Sale Shares and where applicable shall hold the purchase money in trust (without interest) for the Vendor pending receipt of the relevant certificate(s) for the Sale Shares from the Vendor or an indemnity in respect of

the same in a form prescribed by the Company, whereupon such purchase moneys will be released to the Vendor by the Company. The receipt of the Company for the purchase money shall be a good discharge to the proposed transferee (who shall not be bound to see to the application thereof) and, after his name has been entered in the Register of Members in purported exercise of the aforesaid powers, the validity of the proceedings shall not be questioned by any person.

9.11 In the event of all the Sale Shares (or the maximum number specified in any Minimum Transfer Condition) not being sold under the preceding paragraphs of this Article, the Vendor may at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted, transfer any Sale Shares not sold to the Proposed Transferee at any price not less than the Sale Price, provided that:-

9.11.1 the Board shall be entitled to refuse registration of the Proposed Transferee if he is or is believed to be a nominee for a person reasonably considered by the Board to be a competitor or connected with a competitor of the business of the Group;

9.11.2 any such sale shall be a bona fide sale and the Board may require to be satisfied (in such manner as it may reasonably think fit) that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Sale Price without any deduction, rebate or allowance whatsoever to the Proposed Transferee and if not so satisfied may refuse to register the instrument of transfer; and

9.11.3 if the Vendor stipulated in the Transfer Notice a Minimum Transfer Condition which has not been satisfied by the Proposed Transferee, the Vendor shall not be entitled, save with consent of the Board, to sell any Sale Shares.

10. PERMITTED TRANSFERS

10.1 Notwithstanding any other provisions of these Articles, a member or members may at any time transfer any share:-

10.2 if NWV to any of its Investor Associates;

10.3 if NWV or any other person to whom it has transferred shares pursuant to this paragraph to:-

10.3.1 the beneficial owner or owners in respect of which the transferor is a nominee or custodian or any other nominee or custodian for such beneficial owner or owners;

10.3.2 to any unitholder, shareholder, partner, participant, manager or adviser (or any employee of such manager or adviser) in any investment fund or co-investment plan in respect of which the transferor is a nominee or custodian;

10.3.3 to any other investment fund managed or advised by the same manager or adviser as the investment fund in respect of which the transferor is a nominee or custodian; or

10.3.4 to a nominee, custodian or to a member of the same group of any of the persons referred to in 10.3.1 or 10.3.2 or 10.3.3 above;

10.4 if NWV, to any person who becomes a manager or trustee of a fund managed by NWV in place of NWV;

10.5 to a Related Person or that member over the age of eighteen years;

10.6 if such member holds such share or shares as a result of a transfer made after the date of the adoption of these Articles by a person in relation to whom such member is a Permitted Transferee to the person who originally transferred such shares or any other Permitted Transferee of such original transferor;

10.7 to the trustees of a Family Trust;

10.8 if trustees of any trust referred to in Article 10.7:-

10.8.1 upon any change of trustees, to the new or remaining trustee or trustees for the time being of such trust; and

10.8.2 to the settlor and/or any of the Related Persons of the settlor on their becoming entitled to the same under the terms of the trust;

10.9 to the trustees of a trust established to encourage or facilitate the holding of shares in the Company by bona fide full-time employees of the Company or any other Group Company or any section of such employees;

10.10 if a trustee of any trust referred to in Article 10.9;

10.10.1 upon any change of trustees, to the new or remaining trustee or trustees for the time being of such trust; and

10.10.2 to any bona fide full-time employees of the Company or any other Group Company on their becoming entitled to the same under the terms of the trust;

10.11 if a member is a company, to any holding company of which that company is a wholly-owned subsidiary or to a wholly-owned subsidiary of that holding company;

10.12 if Galapino, to Christopher Palmer or being the trustees of a trust or trust company the beneficiary of which is Christopher Palmer or a Related Person of Christopher Palmer, upon any change of trustees, to the new or remaining trustee or trustees for the time being of such trust or to a company owned by any such person;

10.13 if NWV, to Robin Paterson pursuant to the provisions of any option entered into between NWV and Robin Paterson provided that no more than 81,928 Ordinary Shares in aggregate may be transferred under this Article 10.13.

11. For the purpose of ensuring that a transfer of shares is duly authorised hereunder, the Board may require:-

11.1 any member or the legal personal representatives of any deceased member; or

11.2 any person named as transferee in any transfer lodged for registration; or

11.3 such other person as the Board or any such holder may reasonably believe to have information relevant to such purpose;

to furnish to the Company such information and evidence as the Board may think fit regarding any matter which they deem relevant to such purpose including the names, addresses, ages and interests of all persons respectively having interests in the shares from time to time registered in the member's name and the Board may refuse to register the relevant transfer until it has received such information and evidence.

12. COMPULSORY TRANSFERS

12.1 The provisions of this Article shall apply to any Leaver and to any Leaver's Shares.

12.2 In these Articles:-

12.2.1 a "Relevant Employee" shall mean:-

(a) an employee of any Group Company; and/or

(b) a director of any Group Company (other than a Nominated Director who is a non-executive director).

12.2.2 a "Leaver" shall mean:-

(a) any shareholder who ceases to be a Relevant Employee;

(b) any shareholder who is a Related Person of any person who ceases to be a Relevant Employee;

(c) any shareholders which are the trustees of a Family Trust of any person who ceases to be a Relevant Employee;

(d) any shareholder who ceases to be a Related Person of a Relevant Employee;

(d) any person who becomes entitled to any Ordinary Shares:-

(i) on the death of a shareholder; or

(ii) on the bankruptcy of a shareholder (if an individual) or the receivership, administrative receivership, administration, liquidation or other arrangement for the winding-up (whether solvent or insolvent) of a shareholder (if a company) becomes entitled to any Ordinary Shares;

12.2.3 "Leaver's Shares" shall mean all of the Ordinary Shares in the Company held by a Leaver or to which the Leaver is entitled, on the date on which that person became a Leaver.

12.3 Within the period commencing on the date on which a person becomes a Leaver and expiring at midnight on the first anniversary of such date, the Company may serve a notice on the Leaver notifying him that he is, with immediate effect, deemed to have served one or more transfer notices (each a "deemed transfer notice") in respect of such number of his Leaver's Shares as determined in accordance with Articles 12.4 to 12.8.

12.4 If the Leaver becomes a Good Leaver (as defined in Article 12.8 below) within 3 years of first being employed by any Group Company the deemed transfer notice shall be for all the Ordinary Shares referred to in Article 12.3 at their market value calculated in accordance with Article 12.12.

12.5 If the Leaver becomes a Good Leaver after the 3 year period referred to in Article 12.4, no transfer notice shall be deemed to have been served under Article 12.3 provided that if at any time after becoming a Good Leaver the Leaver shall be employed by or engaged (whether as principal or agent) in any business considered by the Board to be in competition with any business of the Group, then that Leaver shall be deemed to have served a transfer notice for all the Ordinary Shares referred to in Article 12.3 at their market value on the date upon which such Leaver first becomes employed or engaged in such a competing business.

12.6 If the Leaver shall not be a Good Leaver the deemed transfer notice(s) will be for all the Ordinary Shares referred to in Article 12.3 at the lower of (i) their market value calculated in accordance with Article 12.12 and (ii) their Original Cost.

12.7 Original Cost means the price (including any premium) at which the Ordinary Shares were issued to the shareholder or the price paid by such shareholder on acquisition of the relevant Ordinary Shares (as appropriate).

12.8 Good Leaver means any Leaver unless he becomes a Leaver in circumstances where the Relevant Person ceases to be an employee or director for any reason for gross misconduct justifying summary dismissal.

12.9 The provisions of Article 9 shall apply to every deemed transfer notice, subject to the provisions of Article 12.10 and Article 12.11.

12.10 The Company shall, with the agreement of the Board, within one month after the date of any deemed transfer notice, be at liberty to invite one or more employees or bona fide prospective employees of any Group Company selected by the directors who shall not already be members to apply for all or any of the sale shares comprised in such transfer notice (deemed or otherwise) at the price determined in accordance with this Article 12 and in the absence of making any such invitation or in the absence of any such invitation being accepted, to transfer such shares at the sale price to a person nominated to hold such shares as trustee pending identification of such employees or prospective employees and other members shall not, in such circumstances, be entitled to exercise rights of pre-emption in relation to the proposed transfer of such shares to such employees, prospective employees or trustees or from such trustees to any employees or prospective employees as aforesaid provided that if shares are transferred to a trustee pursuant to this Article, a

transfer notice shall be deemed served by such trustee at the expiry of 12 months from the date of the original deemed transfer notice if the said shares have not by that time been transferred to any such employees or prospective employees and such transfer notice shall be treated as a deemed transfer notice as referred to in Article 12.3 save that Articles 12.10 and 12.11 shall not apply to such deemed transfer notice.

12.11 The Company, shall with the agreement of the Board, within one month after the date of any deemed transfer notice, be at liberty to serve notice on the Leaver requiring all Ordinary Shares the subject of deemed transfer notice(s) to sell such Ordinary Shares to the Company. The Company shall effect the purchase of such Ordinary Shares in accordance with such lawful method as it shall permit. Relevant shareholder approval for the purchase of such Ordinary Shares must be obtained within 90 days of the date on which the Company serves notice under this Article 12.11. Completion of the purchase of such Ordinary Shares by the Company must take place within 30 days of the date upon which the Company becomes lawfully able to purchase such Ordinary Shares in accordance with the Act, failing which the deemed transfer notice(s) shall be deemed to have been withdrawn. Completion of the sale and purchase of such Ordinary Shares shall take place at the registered office of the Company (or at such other place as the Board may reasonably determine) and, at completion, the Leaver shall deliver (or procure the delivery of) a duly signed stock transfer form or forms in respect of all such Ordinary Shares together with the relative share certificates or, if such certificate is lost, together with a form of indemnity for lost certificate in a form reasonably acceptable to the Board. Upon receipt of the duly signed stock transfer form or forms and the relevant share certificates the Company shall pay the aggregate purchase price for such Ordinary Shares to the relevant holder thereof by way of cheque. If any Leaver fails to attend completion of the sale of the relevant Ordinary Shares or attends completion but does not present duly executed stock transfer forms in respect of the relevant Ordinary Shares and relative share certificates and/or indemnities for any lost certificates, the Company may nominate some person to execute an instrument of transfer of the relevant Ordinary Shares in the name of and on behalf of the Leaver or other holder(s). When such instrument has been duly presented for stamping, the Company shall cause the name of the Leaver (and any other holder(s)) to be deleted from the Register of Members and the relevant Ordinary Shares to be cancelled and, where applicable, shall hold the purchase money in trust without interest for the Leaver and/or other holder(s). After the name(s) of the Leaver (and any other holder(s)) has been deleted from the Register of Members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

12.12 If the sale price in relation to shares comprised in any transfer notice is to be their market value the Auditors shall be requested by the Company within seven days of the date of the transfer notice or of the event giving rise to the deemed transfer notice (as the case may be) to determine such market value. The market value of the sale shares shall be such sum as may be determined by the Auditors and certified by them to the Company as representing, as at the date at which the transfer notice is given, in their opinion the market value thereof on the basis of a sale as between a willing vendor and a willing purchaser of the entire issued share capital of the Company in the open market taking into account all such factors as the Auditors may deem relevant including, but not by way of limitation, the latest available financial results of the Company, the trading conditions then current, the then existing strength of the management of the Company and the Company's prospects and disregarding the fact that the said shares constitute a minority, majority or any other particular holding of shares in the Company or that the transfer of shares is restricted by these Articles. The Auditors shall certify the market value as soon as

possible after being instructed by the Company and in so certifying, the Auditors shall be deemed to be acting as experts and not as arbitrators and the Arbitration Acts 1996 shall not apply. The certificate of the Auditors shall be final and binding. The Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall, subject to complying with the Act, be borne by the Company. The period of one month specified in Articles 12.10 and 12.11 shall not commence until the Auditors have certified to the Company the market value of the shares comprised in the transfer notice.

12.13 For the avoidance of doubt the provisions of this Article 12 shall not apply to Mr Christopher Palmer or to Galapino.

13. RELATIONSHIP TO THE CREDIT AGREEMENT

13.1 The other provisions of these Articles are subject to the following provisions of this Article.

13.2 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 7 August 1996 as amended on or about 19 September 1997 (the "Credit Agreement") made between the Company and the Bank, each of the holders of shares in the Company (which expression includes all assignees or, as the case may be, transferees who by becoming entitled under these Articles, agree to be bound under this Article) acknowledges and agrees that all of its rights to distributions and payments in relation to shares of any class in the capital of the Company arising under these Articles ("Rights") are qualified so that none of such holders may in relation to any claim it may have against the Company exercise, retain, enjoy or claim any benefit in respect of any of the Rights where such exercise, retention, enjoyment or claim would entail an obligation on the Company to pay any sum of money to any of the holders of shares in the Company or in respect of the Rights, that would result in the Company being in breach of its obligations under the Credit Agreement.

Each of the holders of shares in the Company declares that all redemption monies, distributions and payments paid under these Articles and received, held or retained by it in breach of this provision, shall be held on trust for the Company and shall be paid, transferred or as the case may be, assigned to the Company promptly following receipt of a notice from the Company in respect of such breach.

13.3 Where any dividend or redemption or other payment due to any holder of shares in the Company is not paid upon the due date for payment thereof because of the provisions of this Article:-

13.3.1 such dividend or redemption or other payment may be paid upon the necessary consent being obtained or the bar thereon ceasing to apply; and

13.3.2 such non-payment shall be deemed not to put the Company in breach or default of any of the provisions of these Articles.

13.4 Notwithstanding any other provisions in these Articles, any transaction contemplated by the Credit Agreement (including, without limitation the provision of banking facilities and the grant of any security or suretyship obligations) may be entered into or otherwise effected without any party's consent or authority under these Articles.

13.5 The Rights are subject to the provisions set out in the Subordination Deed.

13.6 No transfer of any shares may be made or registered and no shareholder shall purport to make or register any transfer to a person (the "proposed transferee") without the proposed transferee first entering into an Accession Deed (as defined in the Subordination Deed) and delivering the same to the Bank.

13.7 Words and expressions defined in the Credit Agreement shall have the same meaning in this Article.

14. ANNUAL GENERAL MEETINGS

The directors shall procure that the Annual General Meeting in respect of each financial year of the Company shall be convened to take place not later than 45 days after the date of the Auditors' report relating to the statutory accounts of the Company for the relevant financial year.

15. PROCEEDINGS AT GENERAL MEETINGS

15.1 No business shall be transacted at any meeting unless a quorum is present. 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.

15.2 If within half an hour from the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present for a period exceeding 10 minutes, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other time and place as the members present may decide and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the member or members present shall constitute a quorum. The Company shall give notice of such adjournment and the date, time and place of the reconvening of such adjourned meeting to all members promptly following the adjournment.

15.3 A resolution put to the vote of a meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded at any general meeting by the Chairman, or by any member present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a member entitled to vote.

15.4 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors must be delivered to the registered office of the Company not less than 48 hours before the time appointed for the holding of the meeting or to the place of the meeting at any time before the time appointed for the holding of the meeting and Regulation 62 shall be modified accordingly.

15.5 When a poll has been demanded it shall be taken immediately following the demand.

15.6 The Chairman of the meeting shall not, in the case of an equality of votes, whether on a show of hands or on a poll, be entitled to exercise any second or casting vote.

16. NOMINATED DIRECTORS

16.1 Each Major Shareholder, so long as it is the registered holder of at least 5% of the issued ordinary share capital of the Company from time to time shall be entitled at any time (a) to appoint one person to the Board if it is the registered holder of at least 5% but less than 10% of the issued ordinary share capital of the Company; and (b) to appoint one further person to the Board for each whole ten percentage points of the issued ordinary share capital of the Company registered in its name over 10% (so that a twenty per cent shareholding shall entitle the holder to appoint 2 Nominated Directors as shall a 25% holding and a 30% holding shall entitle the holder to appoint 3 Nominated Directors as shall a 35% holding and so on (each a "Nominated Director"); and subject to Article 16.2 (c) to remove each such person appointed by it under (a) and (b) above from office and (for whatsoever reason and howsoever such person was removed from office) to appoint other person(s) in their place.

16.2 If at any time a Major Shareholder's percentage holding of the issued ordinary share capital of the Company is reduced (by whatever means) such that the number of Nominated Directors which it is entitled to appoint under Article 16.1 is thereby reduced, it shall forthwith upon such reduction procure the removal of one or more of its Nominated Directors to reflect such reduction in percentage holding of the Company's issued ordinary share capital and shall not be entitled to appoint another person in their place unless and until its percentage holding of the issued ordinary share capital of the Company is increased such that it is entitled to appoint a Nominated Director under Article 16.1. If any party fails to procure the removal of its Nominated Directors as required under this Article 16.2 within seven days of becoming required to do so, the Company shall be entitled (each shareholder irrevocably appoints the Company as its attorney) to procure the removal of such Nominated Director(s).

16.3 The Nominated Director(s) (and their respective alternates) appointed by any Major Shareholder shall, at meetings of the Board, have in aggregate one vote for every whole (but not part) 5% of the issued ordinary share capital of the Company from time to time registered in the name of that Major Shareholder, which votes, if such Major Shareholder is entitled to and has appointed more than one Nominated Director, shall be divided equally between those Nominated Directors appointed by such Major Shareholder who are present at the relevant meeting of the Board.

16.4 Notwithstanding the other provisions of this Article 16:

16.4.1 if the Major Shareholder concerned is NWV, references to the amount of issued ordinary share capital held by it (or similar expressions) shall be construed as references to the aggregate amount of such share capital registered in the name(s) of NWV and any Investor Associates;

16.4.2 references to the amount of issued ordinary share capital held by any other Major Shareholder (or similar expressions) shall be construed as references to the aggregate amount of such share capital registered in the name(s) of that Major Shareholder and any person(s) to whom that Major Shareholder has transferred any shares in the capital of the Company under Article 10 hereof.

16.5 Each such appointment and removal shall be made by notice in writing served on the Company which shall take effect at the time it is served on the Company.

16.6 Notwithstanding any provision from time to time of the Articles, each Nominated Director shall be entitled to appoint any person to be an alternate director, shall not be required to hold any share qualification, shall not be subject to retirement by rotation and shall not (so long as the Major Shareholder is not in breach of Article 16.2) be removed except by his appointor or the Major Shareholder who appointed such appointor.

16.7 Notice of meetings of directors shall be served on the Nominated Directors and the at the address notified by him to the Company for this purpose whether he shall be present in or absent from the United Kingdom (notwithstanding the provisions of Regulation 88) and whether or not he has appointed an alternate director.

17. NUMBER OF DIRECTORS

The number of directors (including the Nominated Directors but excluding alternate directors) shall not be less than three but shall not be subject to any maximum.

18. ALTERNATE DIRECTORS

18.1 A director (other than an alternate director) may appoint any other director or, in the case of the Nominated Directors any other person whomsoever or, in the case of any other director, any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed.

18.2 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

18.3 Any director of the Company who is appointed an alternate director shall be entitled to vote at a meeting of the directors on behalf of the director so appointing him as distinct from the vote to which he is entitled in his own capacity as a director of the Company and shall also be considered as two directors for the purpose of making a quorum of directors unless he is the only director present.

19. PROCEEDINGS OF DIRECTORS

19.1 The directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Meetings of directors will be convened, unless not practicable, on not less than 14 days' notice of the proposed meeting. Three Nominated Directors appointed by different Majority Shareholders shall (subject to Article 19.2) constitute a quorum and a quorum of directors must be present throughout all meetings of directors.

19.2 If within 15 minutes from the time appointed for a meeting of directors a quorum (in accordance with Article 19.1) is not present, the meeting shall stand adjourned to such time and place as the persons present at the meeting may decide being not less than 21 days from that date. The Company shall if any director so requests serve notice not less than 14 days prior to the date on which the adjourned meeting is to be reconvened on all directors of the fact of such adjournment, the time, date and place at which the adjourned meeting shall be reconvened, the matters to be discussed at such meeting, and indicating that any two or more directors present at such reconvened meeting shall be a quorum for such meeting. At such reconvened meeting, any two or more directors shall constitute a quorum for such reconvened meeting.

19.3 The Chairman of the meeting shall not have a second or casting vote, in the case of an equality of votes, and the fifth sentence of Regulation 88 shall not apply to the Company.

19.4 The directors may hold meetings by telephone and the provisions of these Articles shall apply, mutatis mutandis, to any such meeting.

20. RETIREMENT BY ROTATION

The directors shall not be liable to retire by rotation and the words "by rotation or otherwise" and "and deemed to have been reappointed" in Regulation 67, "other than a director retiring by rotation" in Regulation 76, "(other than a director retiring by rotation at the meeting)" in Regulation 77, "and may also determine the rotation in which any additional directors are to retire" in Regulation 78, the last two sentences of Regulation 79 and the last sentence of Regulation 84 shall not apply to the Company.

21. BORROWING POWERS

The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and assets (present or future) and uncalled capital and, subject to that Act, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party provided that Borrowings shall not exceed £3,500,000.