

Company No: 3145691

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

RESOLUTIONS

of

HAMPTONS GROUP LIMITED



A16 *ACQ3NEAQ* 0172
COMPANIES HOUSE 17/09/02
A03 *A4G9PDZ4* 0627
COMPANIES HOUSE 06/09/02

(Passed 29 August 2002)

At an EXTRAORDINARY GENERAL MEETING of the above-named Company, duly convened and held at 7 Lower Sloane Street, London, SW1W 8AH on Thursday 29 August 2002 at 9.30 a.m. the following resolutions were passed as ordinary and special resolutions:-

ORDINARY RESOLUTIONS

1. THAT, subject to the passing of resolution 4 in the notice convening this meeting, the authorised share capital of the Company be increased from £117,041.40 to £117,043.40 by the creation of 200 new A Ordinary Shares of 1p each in the capital of the Company, having attached thereto such rights and restrictions attaching to the A Ordinary Shares in the new articles of association of the Company.
2. THAT for the purposes of section 80 of the Companies Act 1985 (the "Act") (and so that expressions used in this resolution shall bear the same meanings as in the said section 80):-
 - 2.1 the Directors be and are unconditionally authorised to exercise all powers of the Company to allot relevant securities up to a maximum nominal amount of £8,896.40 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;
 - 2.2 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.

SPECIAL RESOLUTIONS

3. THAT, subject to the passing of resolution 2 in the notice convening this meeting, the Directors be and are empowered in accordance with section 95 of the Act 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 that resolution up to a maximum nominal value of £8,896.40 as if section 89 of the Act did not apply at any time or times.
4. THAT, pursuant to section 9 of the Act, 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.

Date: 2 September 2002



.....
Secretary

COMPANY NUMBER: 3145691

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

- of -

HAMPTONS GROUP LIMITED

1. The Company's name is HAMPTONS GROUP LIMITED.¹
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are:-

(A)(i) To carry on the business of a holding company in all its branches and to acquire by purchase, lease, concession, grant, licence or otherwise and hold such businesses, options, rights, privileges, lands, buildings, leases, underleases, stocks, shares, debentures, debenture stock, bonds, obligations, securities, reversionary interests, annuities, policies of assurance and other property and rights and interests in property as the Company shall deem fit and generally to hold, manage, develop, lease, sell or dispose of the same and to vary any of the investments of the Company, to act as trustees of any deeds constituting or securing any debentures, debenture stock or other securities or obligations, to enter into, assist, or participate in financial, commercial, mercantile, industrial and other transactions, undertakings and businesses of every description and to establish, carry on, develop and extend the same or sell, dispose of or otherwise turn the same to account and to co-ordinate the policy and administration of any companies of which the Company is a member or which are in any manner controlled by, or connected with, the Company and to carry on all or any of the businesses of capitalists, trustees, financiers, financial agents, company promoters, bill discounters, insurers, insurance brokers and agents, mortgage brokers, rent and debt collectors, stock and share brokers and dealers and commission and general agents, merchants and traders, and to manufacture, buy, sell, maintain, repair and deal in plant, machinery, tools, articles and things of all kinds capable of being used for the purposes of the above-mentioned businesses or any of them, or likely to be required by customers of or persons having dealings with the Company; and

(ii) To carry on all or any of the business of estate agents, valuers, auctioneers, assessors, appraisers,

¹ On 24 June 1996 the Company's name was changed from Cashcoil Limited to Hamptons Group Limited.

surveyors, estate developers, property sales and business transfer agents, insurance and mortgage brokers and agents, property managers, consultants and advisers, industrial development consultants, architects, rating and valuation consultants, rent and debt collectors, stock and share brokers and dealers, general and commission agents, capitalists, financiers and company promoters, builders and building contractors, civil engineers, contractors for the construction, maintenance, repair, decoration and alteration of buildings of all kinds; and to negotiate for, purchase, rent hire, take on lease or in exchange, or otherwise acquire for development, investment or resale, and to traffic in and acquire or grant options over, mortgage, charge, let on lease, dispose of or otherwise deal with any lands, houses, shops or other buildings or real or personal property of any tenure or any interest therein; and to make advances upon the security of land or house or other property or any interest therein, and whether on first mortgage or subject to a prior mortgage or mortgages, and generally to deal in and traffic by way of sale, lease, exchange or otherwise with land and house property and any other property (whether real or personal) and to develop and turn the same to account in such manner as may seem expedient and to let on building lease or building agreement or otherwise dispose of lands, buildings, hereaditaments or other property; and to advance money to and enter into contracts and arrangements of all kinds with builders, purchasers, tenants and others.

(B) To carry on any other business or activity of any nature whatsoever which is in the opinion of the directors capable of being advantageously carried on in connection with or ancillary to any business of the Company hereinbefore or hereinafter authorised.

(C) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections, concessions and the like and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.

(D) To acquire, undertake and carry on the whole or any part of the business, goodwill, property and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is for the time being authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company.

(E) To acquire an interest in, amalgamate with, enter into partnership with or enter into any arrangement for sharing profits, for co-operation, for joint venture, for mutual assistance or otherwise with any person, firm or company.

(F) To purchase or otherwise acquire any property, real or personal, and any interests, rights, options or privileges of any kind whatsoever in, over or in respect of any such property.

(G) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.

(H) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

(I) To lend, advance or deposit money or give credit on any terms with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any subsidiary or holding company of the Company or any other subsidiary of such holding company).

(J) To enter into any guarantee, bond, indemnity or counter-indemnity and otherwise give security or

become responsible for the performance of any obligations or the discharge of any liabilities of or by any person, firm or company in any manner on any terms and for any purposes whatsoever, whether with or without the Company receiving any consideration or advantage and whether or not in furtherance of the attainment of any other objects of the Company and in particular (without prejudice to the generality of the foregoing) to guarantee, support or secure, by personal covenant or by mortgaging or charging all or any part of the undertaking, real and personal property, assets and revenues (present and future) and uncalled capital of the Company, the payment or repayment of any moneys owed in respect of, any debts, obligations or securities whatsoever and the discharge of any liabilities whatsoever, including but not limited to those of any company which is for the time being a subsidiary or holding company of the Company or any other subsidiary of any such holding company or is otherwise associated with the Company in business.

(K) To borrow and raise money in any manner whatsoever whether by the creation and issue of debentures, debenture stock or other securities of any description or otherwise howsoever and to secure the repayment of any money borrowed, raised or owing or any other obligation of or binding on the Company by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital.

(L) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.

(M) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

(N) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.

(O) To subscribe for, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.

(P) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.

(Q) To promote, finance or assist any other company for the purpose of acquiring the whole or any part of the goodwill, business, undertaking property or assets or assuming any of the liabilities of the Company, or of undertaking any business or operations which may in the opinion of the directors directly or indirectly assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.

(R) To sell, lease, exchange, let on hire, or dispose of any real or personal property or the undertaking of the Company, or any part or parts thereof, for such consideration as the directors shall approve, and, in particular, for shares whether fully or partly paid up, debentures or securities of any other company, whether or not having objects altogether or in part, similar to those of the Company, and to hold and retain any shares, debentures or securities so acquired, and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of, grant options over or turn to account or otherwise deal with all or any part of the property or rights of the Company.

(S) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.

(T) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.

(U) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.

(V) To give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been directors of, or who are or have been employed by, or who are serving or have served the Company, or any company which is a subsidiary or the holding company of the Company or any other subsidiary of such holding company or the predecessors in business of the Company or of any such holding or subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants.

(W) To set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of employees of the Company and any of its subsidiaries and (without prejudice to the generality of the foregoing) to establish and maintain or contribute to any scheme for the acquisition by trustees of shares in the Company or its holding company to be held by or for the benefit of employees (including any director in salaried employment) of the Company or (so far as for the time being permitted by law) any of the Company's subsidiaries and to lend money (so far as aforesaid) to any such employees to enable them to acquire shares of the Company or its holding company and to formulate and carry into effect any scheme for sharing profits with any such employees.

(X) To insure the life of any person or to insure against any accident to any person who may, in the opinion of the directors, be of value to the Company as having or holding for the Company interests, goodwill or influence or other assets and to pay the premiums on such insurance.

(Y) To purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company, or of any other company which is its holding company or in which the Company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their

powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund and to such extent as may be permitted by law otherwise to indemnify or to exempt any such person against or from any such liability.

(Z) To support, subscribe for or donate money to any national, charitable, benevolent, public, general or useful object or for any purpose which may in the opinion of the directors directly or indirectly further the interests of the Company or of its members.

(AA) Subject to due compliance, and in accordance, with the provisions of sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable), to give, whether directly or indirectly any kind of financial assistance (as defined in section 152(1)(a) of the Act) for any such purpose as is specified in section 151(1) and/or section 151(2) of the Act.

(BB) To distribute among the members of the Company in kind any property of the Company of whatsoever nature.

(CC) To procure the Company to be registered or recognised in any part of the world and to do all or any of the things or matters aforesaid in any part of the world either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

(DD) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND so that:-

(1) None of the objects set forth in the sub-paragraphs of this paragraph 3 shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-paragraph, or by reference to or inference from the terms of any other sub-paragraph of this paragraph, or by reference to or inference from the name of the Company.

(2) None of the sub-paragraphs of this paragraph and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-paragraph, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-paragraph of this paragraph as though each such sub-paragraph contained the objects of a separate Company.

(3) The word "company" in this paragraph, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

(4) In this paragraph 3 the expression "the Act" means the Companies Act 1985, the expressions "holding company", "subsidiary" and "subsidiary undertaking" shall have the meanings given to them by the Act provided that any reference in this paragraph 3 to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The liability of the members is limited.

5. The Company's share capital is £100 divided into 100 Ordinary shares of £1 each.*

*On 21 February 1996 the authorised share capital of the Company was increased from £100 to £2,485,769 divided into 518,906 Ordinary Shares of 10p each, 565,762 A Preferred Ordinary shares of 10p each, 136,442 B Preferred Ordinary shares of 10p each and 2,363,558 cumulative redeemable preference shares of £1 each.

*On 7 August 1996 the authorised share capital of the Company was reduced to £2,480,595.10 by the cancellation of 51,739 Ordinary Shares of 10p each.

*On 19 September 1997 the authorised share capital of the Company was reduced to £117,037.10 by the cancellation of 2,363,558 Cumulative Redeemable Preference Shares of £1 each.

*On 19 September 1997 the authorised share capital of the Company was increased to £117,041.40 by the creation of 43 Ordinary Shares of 10p each.

*On 18 October 2000 each of the issued and authorised but unissued shares of 10p each in the capital of the Company were divided into 10 shares of 1p each.

*On 29 August 2002 the authorised share capital of the Company was increased to £117,043.40 by the creation of 200 A Ordinary Shares of 1p each.

WE, the subscribers to this Memorandum of Association, wish to be formed into a company pursuant to this Memorandum and we agree to take the number of shares shown opposite our respective names.

NAMES AND ADDRESSES OF SUBSCRIBERS

Number of Shares
taken by each
Subscriber

London Law Services Limited
Temple Chambers
Temple Avenue
London EC4Y 0HP

One

London Law Secretarial Limited
Temple Chambers
Temple Avenue
London EC4Y 0HP

One

TOTAL SHARES TAKEN Two

DATED the [5th day of January, 1996]

WITNESS to the above signatures:-

[Colin A. Lay
Temple Chambers
Temple Avenue
London EC4Y 0HP]



**TRAVERS
SMITH
BRAITHWAITE**

COMPANY NUMBER: 3145691

THE COMPANIES ACTS 1985 AND 1989

ARTICLES OF ASSOCIATION

OF

HAMPTONS GROUP LIMITED

**(ADOPTED BY SPECIAL RESOLUTION ON
29 AUGUST 2002)**

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THE COMPANIES ACTS 1985 AND 1989

ARTICLES OF ASSOCIATION

- of -

HAMPTONS GROUP LIMITED

(Adopted by Special Resolution on 29 August 2002)

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;
A Ordinary Shares	the A ordinary shares of 1p each in the capital of the Company;
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

all monies borrowed or raised by members of the Group and to the extent not otherwise taken into account:-

- (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;
- (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;
- (c) the principal amount of any debenture (whether secured or unsecured) of any Group Company owed otherwise than to any other Group Company;
- (d) the principal amount of any preference share capital of any subsidiary owned otherwise than by a Group Company;
- (e) any premium payable on final repayment of any borrowing or deemed borrowing; and
- (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 15.1;
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 1p 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 UK Listing Authority and to trading on the London Stock Exchange plc's market for listed securities, to trading on NASDAQ Europe SA/NV or the system operated by NASDAQ Europe SA/NV (formerly known as EASDAQ) or (with the consent of the

Majority Shareholders) to trading on any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

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; and

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**" and "**body corporate**" 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 References to the terms "equity share capital" shall be construed as references to the Ordinary Shares and the A Ordinary Shares.

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

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

2.4.2 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

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

- 2.4.4 shall also be construed as a reference to any later statutory provision which re-enacts or consolidates such statutory provision.
- 2.5 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.
- 2.6 References in these Articles to "**Regulations**" and "**Articles**" are to regulations of Table A and to the regulations contained in these Articles respectively.
- 2.7 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:-
- 2.7.1 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
- 2.7.2 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.
- 2.8 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 £117,043.40 divided into 11,704,140 Ordinary Shares and 200 A 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 and the A Ordinary Shares in accordance with the terms of Article 21.

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:-

(a) the Ordinary Shares of which such member is the holder or to which such person is entitled; and

(b) 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 renounee 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:-

- (a) if the transferee is a body corporate, any director of, or shareholder in, the transferee or any person connected with such director or shareholder;
- (b) any person who is connected with the transferee; and
- (c) 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 the provisions of Articles 9.1 to 9.11 (inclusive) 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 Articles 9.1 to 9.11 (inclusive) 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 AND DEALING PERIODS

- 9.1 Except in the case of a transfer which is a Permitted Transfer or a transfer pursuant to Articles 9.12 to 9.22 (inclusive) 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.

9.12 Within the two month period following the date of the auditors' report on the audited accounts of the Company for any financial year, the Company may (but shall not be obliged to) give notice in writing to all or some (by reference to any criteria which the Board may, in its absolute discretion, determine from time to time) employees of the Group employed in the United Kingdom (other than any Major Shareholder) and to any other employees as the Board may think fit ("**Invited Employees**") inviting them to offer to buy or sell (if then a shareholder in the Company and/or the beneficial owner of any Ordinary Shares) Ordinary Shares at the price per share specified in the notice ("**the Dealing Price**"). Simultaneous with the issue of any

notices to Invited Employees, the Company shall give notice in writing to all Major Shareholders inviting them to offer to buy and/or sell Ordinary Shares at the Dealing Price from or to (as appropriate) any Invited Employees.

- 9.13 Any notice issued under Article 9.12 shall specify that the Invited Employee or Major Shareholder (as appropriate) shall have a period of 28 days from the date of such notice within which to offer to sell or buy (or, in the case of Major Shareholders, to offer to sell and/or buy) Ordinary Shares and shall be accompanied by an appropriate form ("**Dealing Offer Form**") for completion and return by the Invited Employee or Major Shareholder (as appropriate).
- 9.14 Each Invited Employee who completes and returns a Dealing Offer Form must specify the number of Ordinary Shares he is willing to buy ("**Employee Buy Shares**") or sell ("**Employee Sell Shares**") at the Dealing Price. Any Dealing Offer Form completed by an Invited Employee which specifies a number of Employee Buy Shares or Employee Sell Shares (as appropriate) which does not comply with Article 9.15 or Article 9.16 (as appropriate) shall not (unless the Board resolves otherwise and with the consent of the relevant Invited Employee) be valid and shall be rejected by the Board.
- 9.15 Where the Invited Employee is a shareholder in the Company and/or the beneficial owner of any Ordinary Shares, the maximum number of Employee Buy Shares he may specify is an amount equal to one per cent. of the number of Ordinary Shares in issue on the date of the notice issued to him under Article 9.12 and he shall not be required to specify a minimum number of Employee Buy Shares. Where the Invited Employee is not a shareholder in the Company nor the beneficial owner of any Ordinary Shares, the minimum and maximum number of Employee Buy Shares he may specify is 100 Ordinary Shares and an amount equal to one per cent. of the number of Ordinary Shares in issue on the date of the notice issued to him under Article 9.12 respectively.
- 9.16 The maximum number of Employee Sell Shares an Invited Employee who is a shareholder in the Company or the beneficial owner of any Ordinary Shares may specify is (where the Invited Employee holds (legally and/or beneficially) more than 150 Ordinary Shares) the lower of (a) 25 per cent. (rounded down to the nearest whole number) of his holding (legal and/or beneficial) of Ordinary Shares on the date of the notice issued to him under Article 9.12, and (b) 7,500 Ordinary Shares; and where the Invited Employee holds (legally and/or beneficially) 150 or less Ordinary Shares, he may specify up to the number of Ordinary Shares held by him in

excess of 100 Ordinary Shares or he may specify all his holding (legal and/or beneficial) of Ordinary Shares.

- 9.17 Each Major Shareholder who completes and returns a Dealing Offer Form must specify the number of Ordinary Shares he is willing to buy ("**Major Shareholder Buy Shares**") and/or sell ("**Major Shareholder Sell Shares**") at the Dealing Price.
- 9.18 Any validly completed and returned Dealing Offer Form relating to Employee Sell Shares or Major Shareholder Sell Shares shall be deemed to constitute the Company the agent of the relevant shareholder and/or beneficial owner of Ordinary Shares (as appropriate) for the sale of up to the number of Ordinary Shares validly specified in the Dealing Offer Form at the Dealing Price in the manner prescribed by these Articles. No Dealing Offer Form may be varied or cancelled without the consent of the Board.
- 9.19 If any Dealing Offer Forms are validly completed and returned, the Board shall promptly upon expiry of the 28 day period specified in Article 9.13 match proposed buyers of Ordinary Shares that are Invited Employees ("**Employee Buyers**") and/or Major Shareholders ("**Major Shareholder Buyers**") with proposed sellers that are Invited Employees ("**Employee Sellers**") and/or Major Shareholders ("**Major Shareholder Sellers**") as follows:-
- 9.19.1 if the total number of Employee Sale Shares is equal to the total number of Employee Buy Shares, or is greater than the total number of Employee Buy Shares by an amount equal to the total number of Major Shareholder Buy Shares or is less than the total number of Employee Buy Shares by an amount equal to the total number of Major Shareholder Sell Shares, the Employee Sellers and Employee Buyers shall be matched with each other and/or where appropriate Major Shareholder Buyers and/or Major Shareholder Sellers as determined by the Board;
- 9.19.2 if the total number of Employee Sell Shares is less than the total number of Employee Buy Shares by an amount less than the total number of Major Shareholder Sell Shares, the Employee Buyers shall be matched with the Employee Sellers and/or the Major Shareholder Sellers but so that the number of Ordinary Shares to be sold by Major Shareholder Sellers shall be allocated to each Major Shareholder Seller as determined by the Board;

- 9.19.3** if the total number of Employee Sell Shares is greater than the total number of Employee Buy Shares by an amount less than the total number of Major Shareholder Buy Shares, the Employee Sellers shall be matched with the Employee Buyers and/or the Major Shareholder Buyers but so that the number of Ordinary Shares to be bought by Major Shareholder Buyers shall be allocated to each Major Shareholder Buyer as determined by the Board;
- 9.19.4** if the total number of Employee Sell Shares is less than the total number of Employee Buy Shares by an amount greater than the total number of Major Shareholder Sell Shares, the Employee Sellers and/or Major Shareholder Sellers shall be matched with all or some of the Employee Buyers who shall be scaled down so that the total number of Employee Sell Shares and/or Major Shareholder Sell Shares equals (as near as possible) the total number of Ordinary Shares to be bought (after such scaling down) by Employee Buyers. The scaling down shall be determined by the Board as follows:-
- (a) all Employee Buyers which are not shareholders in the Company nor beneficial owners of any Ordinary Shares shall be allocated 100 Ordinary Shares but so that if the total number of such allocated Ordinary Shares is greater than the total number of Employee Sell Shares and Major Shareholder Sell Shares, sub-paragraph (c) below shall apply;
 - (b) the total remaining number of Ordinary Shares to be bought by Employee Buyers (after the allocation under sub-paragraph (a) above) shall be allocated to each Employee Buyer in proportion (as near as practicable without giving rise to fractions of Ordinary Shares to be bought) to which the number of remaining Employee Buy Shares relating to that Employee Buyer bears to the total number of remaining Employee Buy Shares;
 - (c) if after following the provisions of sub-paragraphs (a) and (b) above, all Employee Sellers and/or Major Shareholder Sellers have not been matched with Employee Buyers in respect of all Employee Sell Shares and Major Shareholder Sell Shares, then notwithstanding sub-paragraphs (a) and (b) above, the Board shall match all or any Employee Buyers and/or Major

Shareholder Buyers with Employee Sellers and/or Major Shareholder Sellers as it shall determine;

- 9.19.5** if the total number of Employee Sell Shares is greater than the total number of Employee Buy Shares by an amount greater than the total number of Major Shareholder Buy Shares, the Employee Buyers and/or Major Shareholder Buyers shall be matched with the Employee Sellers but so that the number of Ordinary Shares to be sold by Employee Sellers shall be allocated to each Employee Seller in proportion (as near as practicable without giving rise to fractions of Ordinary Shares to be sold) to which the number of Employee Sell Shares relating to that Employee Seller bears to the total number of Employee Sell Shares.
- 9.20** Any determination made by the Board in matching buyers with sellers under Article 9.19 shall be entirely at the discretion of the Board as it thinks fit (subject as expressly provided in Article 9.19) and additionally, the Board shall have discretion to match buyers with sellers if circumstances arise for which Articles 9.19.1 to 9.19.5 do not adequately cater as it shall in its absolute discretion think fit provided that no person shall be obliged to buy or sell more than the maximum number of Ordinary Shares he has validly indicated he is willing to buy and/or sell (as appropriate).
- 9.21** The Company shall promptly upon matching Employee Buyers and/or Major Shareholder Buyers with Employee Sellers and/or Major Shareholder Sellers under Article 9.19 give notice in writing ("**the Dealing Notice**") to each Employee Buyer, Employee Seller and Major Shareholder specifying the seller(s) ("**the Sellers**"), the buyer(s) ("**the Buyers**") and numbers of Ordinary Shares to be bought and sold ("**the Dealing Shares**") at the Dealing Price (per share) as determined by the Board under Article 9.19. The issue of the Dealing Notice to each Seller and Buyer shall constitute the acceptance by them of the offer to sell or buy respectively the Dealing Shares specified in the Dealing Notice at a price per share equal to the Dealing Price on terms that any Seller shall sell or procure the sale of Dealing Shares free from all charges, liens, mortgages and other encumbrances together with all rights attaching to such shares. Completion of the sale and purchase of the Dealing Shares in accordance with the Dealing Notice shall take place within 14 days after the Dealing Notice (as specified in the Dealing Notice) whereupon each Seller shall, upon payment of the price due in respect thereof, transfer or procure the transfer of those Dealing Shares specified in the Dealing Notice to the relevant Buyer and deliver (or procure the delivery of) to the Buyer the relevant share certificate(s).

- 9.22 The provisions of Article 9.10 shall mutatis mutandis apply to any sale and purchase of Dealing Shares save that references therein to "**Vendor**" and "**Sale Shares**" shall be read and construed as references to "**Seller**" and "**the Dealing Shares relating to such Seller**".

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 of 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;
- 10.14** to the Company, subject always to compliance with the provisions of the Act.
- 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;

(e) 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 the 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:-

12.5.1 in respect of any shares:-

(a) issued to or acquired by that Leaver on or before 6 November 2000; or

(b) held by a Major Shareholder, a Related Person of a Major Shareholder or a Family Trust of a Major Shareholder

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;

- 12.5.2** in respect of any shares issued to or acquired by any Leaver (other than a Major Shareholder, a Related Person of a Major Shareholder or a Family Trust of a Major Shareholder) after 6 November 2000 the deemed transfer notice shall be for all the Ordinary Shares issued to or acquired by the Leaver after 6 November 2000 at their market value calculated in accordance with Article 12.12.
- 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 Articles 9.1 to 9.11 (inclusive) 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. 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.

14. PROCEEDINGS AT GENERAL MEETINGS

14.1 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.

- 14.2** 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.
- 14.3** 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.
- 14.4** 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.
- 14.5** When a poll has been demanded it shall be taken immediately following the demand.
- 14.6** 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.

15. NOMINATED DIRECTORS

- 15.1** 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 15.2 (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.

15.2 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 15.1 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 15.1. If any party fails to procure the removal of its Nominated Directors as required under this Article 15.2 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).

15.3 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.

15.4 Notwithstanding the other provisions of this Article 15:

15.4.1 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;

15.4.2 references to the amount of issued ordinary share capital held by any other Major Shareholder (or similar expressions) shall be concerned 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.

15.5 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.

15.6 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 15.2) be removed except by his appointor or the Major Shareholder who appointed such appointor.

15.7 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.

16. 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.

17. ALTERNATE DIRECTORS

17.1 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.

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

17.3 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.

18. PROCEEDINGS OF DIRECTORS

- 18.1** 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 18.2) constitute a quorum and a quorum of directors must be present throughout all meetings of directors.
- 18.2** If within 15 minutes from the time appointed for a meeting of directors a quorum (in accordance with Article 18.1) 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.
- 18.3** 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.
- 18.4** The directors may hold meetings by telephone and the provisions of these Articles shall apply, mutatis mutandis, to any such meeting.

19. 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.

20. 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.

21. A ORDINARY SHARES

- 21.1** The rights attaching to the A Ordinary Shares shall be as set out in this Article 21 and the remaining Articles by incorporation.

Voting Rights

- 21.2** The holders of the A Ordinary Shares shall be entitled to attend but shall not be entitled to vote in person or by proxy at a general meeting by virtue or in respect of their holding of such A Ordinary Shares other than in relation to any amendment to these Articles which would alter the rights attaching to the A Ordinary Shares, or in relation to any resolution to alter the rights attaching to the A Ordinary Shares.

Transfers

- 21.3** The holders of the A Ordinary Shares shall not be entitled to serve a Transfer Notice pursuant to Article 9.1 without the consent of the Major Shareholders.

Ratchet Entitlement

- 21.4** In this Article 21, the following words and phrases shall have the following meanings:-

Cash Equivalent

the sum certified by the Auditors (or, if the Auditors are unable or unwilling to act for any reason, an Independent Expert) (acting as experts and not as arbitrators) and whose certificate shall be binding on all shareholders (save in the case of manifest error or fraud) as being in their opinion the monetary value of the non-cash consideration at that time;

Equity Shares

the Ordinary Shares and the A Ordinary Shares;

Exit

the earlier of a Share Sale, Return of Capital and Quotation;

Exit Date

the date on which an Exit occurs;

Exit Valuation or EV

- (a) in a case of a Share Sale, the amount calculated in accordance with the following formula:-

$$EV = \frac{CP}{SS} \times MS$$

where:

SS is the number of Ordinary Shares in the Company being sold in connection with the Share Sale;

MS is the number of Ordinary Shares in the Company in issue immediately prior to the Share Sale; and

CP is the aggregate consideration receivable by the Shareholders in connection with the Share Sale, provided that if part of the purchase price is payable otherwise than in cash, the amount of the purchase price shall be the aggregate of the purchase price payable in cash and the Cash Equivalent;

- (b) in the case of a Return of Capital, the surplus assets of the Company remaining after the payment of its liabilities (the "**Returned Capital**"); and

- (c) in the case of a Quotation, the amount calculated in accordance with the following formula:-

$$EV = SP \times MS$$

where:

SP is the weighted average price per share at which the Ordinary Shares are to be sold, placed or admitted under the arrangements relating to such Quotation; and

MS is the number of Ordinary Shares in the capital of the Company in issue immediately prior to the Exit Date, but excluding any new equity instruments issued pursuant to such Quotation (other than any new shares to existing shareholders to be paid up by way of capitalisation of reserves or arising from any subdivision of or conversion of shares);

F an amount equal to the aggregate amount of monies raised through the issue of new equity shares following the date of adoption of these Articles;

Independent Expert an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President from time to time of the Institute of Chartered Accountants in England and Wales;

PSE 0.001 (or such other number as amended in accordance with Article 21.20);

Quotation as defined in Article 2.1;

Ratchet Entitlement or RE an amount per A Ordinary Share, payable in cash, calculated in accordance with Article 21.6;

Return of Capital	a return of capital on liquidation or otherwise (except on the purchase by the Company of its own shares);
Shareholders	the holders of the Equity Shares from time to time;
Share Sale	the becoming unconditional in all respects of an agreement to sell (including a sale on terms where deferred consideration is payable) 80 per cent or more of the Ordinary Shares (not already owned by the buyer or buyers) to a single buyer or to one or more buyers, in either case, as part of a single transaction or series of connected transactions; and
Threshold	such amount (not less than £40,000,000) as may be agreed in writing, on a case by case basis, between the Board and an A Ordinary Shareholder immediately prior to the issue and allotment of A Ordinary Shares to such A Ordinary Shareholder.

Preliminary

- 21.5** As soon as reasonably practical prior to the Exit Date, the holders of a majority in nominal value of the Ordinary Shares, the holders of a majority in nominal value of the A Ordinary Shares and the Company shall use their reasonable endeavours to agree expeditiously the Exit Valuation and the Ratchet Entitlement following which, in the event of failure to agree, the Auditors (which expression shall, for the purposes of this Article 21.5 and Articles 21.7 and 21.20, be deemed to include a reference to the Independent Expert if the Auditors are unable or unwilling to act) shall be asked to calculate such amounts and shall confirm such matters in writing to the holders of the Equity Shares (the "**Confirmation of Value**"). Such Confirmation of Value shall be conclusive and binding on all Shareholders except in the case of fraud or manifest error and, in providing such confirmation, the Auditors (or the Independent Expert, as the case may be) shall act as experts and not as arbitrators. The costs of the Auditors (or the Independent Expert, as the case may be) shall be borne by the holders of the Ordinary Shares and A Ordinary Shares *pro rata* to the proceeds received pursuant to the Exit, provided always that if the Exit

does not proceed for any reason, the Company shall (subject to compliance with the Act) bear such expenses.

Ratchet Entitlement

- 21.6** On a Share Sale or a Return of Capital, each A Ordinary Share shall (subject to Article 21.20) be entitled to such amount, payable in cash, as is equal to the Ratchet Entitlement where:-

$$RE = PSE \times ((EV - F) - Threshold)$$

provided always that where EV is less than or equal to the Threshold, RE shall be deemed to be zero. For the avoidance of doubt, the Ratchet Entitlement for each A Ordinary Share may vary (in line with the varying Threshold set at the time of the issue and allotment of such A Ordinary Share), and, therefore, the Ratchet Entitlement for each A Ordinary Share shall be determined on a share by share basis (as opposed to on a class basis).

- 21.7** Notwithstanding anything to the contrary in the terms and conditions governing such Share Sale or Return of Capital, the Shareholders shall procure that the consideration (in the case of a Share Sale) or the Returned Capital (in the case of a Return of Capital), whenever received, shall be put in a designated trustee account and distributed amongst the Shareholders as follows:-

21.7.1 first, in paying to the A Ordinary Shareholders an amount per A Ordinary Share equal to such A Ordinary Share's Ratchet Entitlement (if any); and

21.7.2 second, the remaining amount shall be distributed amongst the holders of Ordinary Shares according to the number of such shares held by each of them rateably and equally,

provided always that on a Share Sale (subject to Article 21.20):-

(A) where any of the purchase price includes consideration payable on deferred terms then, in determining RE:-

(i) *upon the Share Sale becoming unconditional in all respects*, the definitions of CP and RE shall be amended in the following manner:-

- (a) *CP* shall be the aggregate of (i) the amounts that are paid in cash or Cash Equivalent upon the Share Sale becoming unconditional in all respects (the "**Upfront Consideration**"); and (ii) the sum certified by the Auditors (acting as experts and not as arbitrators) as being in their opinion the then current value of the right to receive the deferred consideration which may become payable on a future date (the "**Estimated DP**"); and
- (b) *RE* shall be equal to $(PSE \times (EV - Threshold)) \times Y$

where *Y* shall be an amount equal to the Upfront Consideration divided by *CP* (using the revised definition of *CP* set out in Article 21.7 (A)(i)(a)).

- (ii) *on payment of any deferred consideration (other than pursuant to sub-paragraph (iii) below) (a "Deferred Payment Date"), the definitions of CP and RE shall be amended in the following manner:-*

- (a) *CP* shall be the aggregate of:-
- (1) the Upfront Consideration;
 - (2) the amounts that are paid on the Deferred Payment Date (including any amounts paid on any previous Deferred Payment Date) (the "**DPD Consideration**"); and
 - (3) the Estimated DP; and
- (b) *RE* shall be equal to $(PSE \times (EV - Threshold)) \times Y$

where *Y* shall be an amount equal to:-

$$\left(\frac{\text{Upfront Consideration} + \text{DPD Consideration}}{CP} \right)$$

and using the revised definition of *CP* set out in Article 21.7 (A)(ii)(a),

provided always that in determining the amount payable per A Ordinary Share there shall be deducted from RE an amount equal to any amounts that have already been paid in respect of such A Ordinary Share pursuant to Articles 21.7 (A)(i) and/or 21.7 (A)(ii) (the "**Amounts Already Received**").

- (iii) *on payment of the last deferred consideration payment*, then EV and RE shall bear the meanings given to them in Article 21.4 provided always that in determining the amount payable per A Ordinary Share there shall be deducted from RE an amount equal to the Amounts Already Received.
- (b) where the Share Sale does not involve a sale of all the Ordinary Shares, the amounts payable to the holders of Ordinary Shares shall only be payable to those holders of Ordinary Shares who are selling shareholders and, to the extent that they are selling part but not all of their holdings of Ordinary Shares, their entitlement will be reduced accordingly, but without prejudice to the rights of the holders of A Ordinary Shares under this Article 21.7.
- (c) where the Share Sale involves (in part) the issue of shares in the purchaser or any other non-cash consideration, the Cash Equivalent shall be determined and the provisions of this Article 21.7 shall apply *mutatis mutandis*.

Quotation

- 21.8** The Company may, subject to the Act, redeem all the A Ordinary Shares then in issue immediately prior to a Quotation and there shall be paid on the redemption of each A Ordinary Share an amount equal to *RE*. For the avoidance of doubt, the Ratchet Entitlement for each A Ordinary Share may vary (in line with the varying Threshold set at the time of the issue and allotment of such A Ordinary Share), and, therefore, the Ratchet Entitlement for each A Ordinary Share shall be determined on a share by share basis (as opposed to on a class basis).

Redemption Rights

- 21.9** In this Article 21:-

- 21.9.1** a "**Relevant Employee**" shall mean:-

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

provided that where a Terminating Event has taken place in relation to such Relevant Employee, such Relevant Employee shall immediately be deemed to have ceased being a Relevant Employee.

21.9.2 an "**A Ordinary Leaver**" shall mean:-

- (a) any holder of A Ordinary Shares who ceases to be a Relevant Employee;
- (b) any holder of A Ordinary Shares who is a Related Person of any person who ceases to be a Relevant Employee;
- (c) any holders of A Ordinary Shares who are the trustees of a Family Trust of any person who ceases to be a Relevant Employee; and
- (d) any holder of A Ordinary Shares who ceases to be a Related Person of a Relevant Employee.

21.9.3 "**A Ordinary Leaver's Shares**" shall mean all of the A Ordinary Shares held by the A Ordinary Leaver or to which the A Ordinary Leaver is entitled.

21.9.4 "**Terminating Event**" shall mean:-

- (a) termination of the Relevant Employee's employment with any Group Company;
- (b) the Relevant Employee ceasing to carry on his duties as an employee of any Group Company; or
- (c) the service by the Company of a notice to terminate the Relevant Employee's employment.

21.10 Subject to the Act and Articles 21.8, 21.11, 21.11A and 21.12, the Company may redeem an A Ordinary Leaver's Shares on or after the date falling 12 calendar

months (provided that if such date is a Saturday, Sunday or English Bank Holiday on the next succeeding business day) after the date on which such a person becomes an A Ordinary Leaver and, for the avoidance of doubt, before such time the provisions of Article 21.7 shall continue to apply to the A Ordinary Shares.

21.11 Notwithstanding Article 21.10, but subject to Article 21.11A, the Company may redeem an A Ordinary Leaver's Shares immediately upon the A Ordinary Leaver becoming a Bad Leaver. In this Article 21.11, an A Ordinary Leaver:-

21.11.1 to whom the definition in Article 21.9.2 applies, shall be deemed to be a **"Bad Leaver"** in circumstances where the Relevant Employee:-

(a) is summarily dismissed by the Company in accordance with the terms of his contract of employment with the Company; or

(b) resigns (other than on a Share Sale)

(a **"Bad Leaver Event"**); and

21.11.2 to whom the definition in Article 21.9.2(b) and (c) applies, shall be deemed to be a **"Bad Leaver"** in circumstances where the Relevant Employee to which the definitions relate becomes subject to a Bad Leaver Event.

21.11A In circumstances where an A Ordinary Leaver is still an employee of any Group Company and/or a director of any Group Company on the date upon which the Company becomes entitled to redeem an A Ordinary Leaver's Shares in accordance with Articles 21.10 or 21.11, such date for redemption shall only begin to run after the date upon which the A Ordinary Leaver actually ceases to be an employee of any Group Company and/or a director of any Group Company.

21.12 There shall be paid on a redemption of each A Ordinary Share pursuant to Articles 21.10 or 21.11 an amount equal to the nominal amount of such A Ordinary Share.

21.13 If the Company is unable because of having insufficient profits available for distribution to redeem in full the A Ordinary Shares on the date fixed for redemption the Company may redeem as many of such A Ordinary Shares as can lawfully and properly be redeemed and the Company may redeem the balance as soon as it is lawful and properly able to do so.

- 21.14** Immediately following the redemption date fixed pursuant to the provisions of Articles 21.10 and 21.11, the A Ordinary Shares shall cease to be entitled to the Ratchet Entitlement (provided always that this shall be without prejudice to any accrued rights of a holder of A Ordinary Shares to receive any consideration in respect of an Exit concluded prior to such date), notwithstanding the fact that the Company may have been unable to redeem in full the A Ordinary Shares.
- 21.15** On the date fixed for redemption pursuant to the provisions of Articles 21.8, 21.10 and/or 21.11, each of the holders of the A Ordinary Shares falling to be redeemed shall delivered to the Company, at the Company's registered office, the certificate(s) for such A Ordinary Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) in order that the same may be cancelled. Upon such delivery, the Company shall pay to the holder the amount due to it in respect of such redemption against delivery of a proper receipt for redemption monies.

Tag-Along and Drag-Along

- 21.16** If at any time one or more Ordinary Shareholders (the "**Proposed Sellers**") propose to sell or transfer any Ordinary Shares which, if sold or transferred and registered, would result in a Share Sale (other than pursuant to Article 10 (Permitted Transfers)) (the "**Trigger Holding**"), the Proposed Sellers may only sell the Trigger Holding if they comply with the provisions of Articles 21.17 to 21.18.
- 21.17** The Proposed Sellers shall give written notice (the "**Proposed Sale Notice**") to the holders of the A Ordinary Shares of such intended sale at least 10 Business Days prior to the date thereof.
- 21.18** Following receipt of the Proposed Sale Notice, the holders of the A Ordinary Shares shall become bound to sell all of their A Ordinary Shares to the proposed buyer and the Proposed Sellers shall only complete their sale (and the Company shall only register any transfer intended to carry such a sale into effect) if the proposed buyer also acquires the A Ordinary Shares and any transfer of Ordinary or A Ordinary Shares to the proposed Buyer, whether by the Proposed Sellers or any other holder of Equity Shares, pursuant to a Proposed Sale Notice, may be made notwithstanding the provisions of Article 9.

Variation of Rights

- 21.19** The rights attaching to the A Ordinary Shares (including the right of the holders of a majority in nominal value of the A Ordinary Shares to consent to the issue of A Ordinary Shares to a Major Shareholder pursuant to Article 21.21) may only be varied with the written consent of all of the holders of the A Ordinary Shares.

Ordinary Share Buy-Backs

- 21.20** In the event of a buy-back of shares in the Company (other than to the extent such buy-back is funded out of the proceeds of a fresh issue of shares) (the "**Buy-Back**") the holders of a majority in nominal value of the A Ordinary Shares and the Company shall use their reasonable endeavours to agree such changes as may be required to the definitions of "**Threshold**" and "**PSE**" so that, following such Buy-Back:-

21.20.1 the Threshold for each holder of A Ordinary Shares shall be reduced by an amount equal to the aggregate amount of the Buy-Back; and

21.20.2 PSE shall be amended so that, in respect of any increase in value of the Company following the Buy-Back, PSE shall be equal to 0.001 divided by A, where A is equal to the percentage (expressed as a decimal) of Ordinary Shares remaining following the Buy-Back as a proportion of the total number of Ordinary Shares in issue prior to the Buy-Back. By way of example, if 50% of the Ordinary Shares were bought back, PSE (in respect of any future growth in the value of the Company) would be equal to 0.001 divided by 0.5, ie 0.002.

In the event of failure to agree, the Threshold and PSE may be adjusted in such manner as the Auditors shall confirm in writing to be in their opinion reasonable to ensure that the rights accruing to holders of the Ordinary and A Ordinary Shares are changed *pari passu* with one another as a consequence of the Buy-Back. Such confirmation shall be conclusive and binding on all Shareholders except in the case of fraud or manifest error and, in providing such confirmation, the Auditors (or the Independent Expert, as the case may be) shall act as experts and not as arbitrators.

Issues of A Ordinary Shares

- 21.21** No A Ordinary Shares shall be issued to a Major Shareholder without the prior consent in writing of the holders of a majority in nominal value of the A Ordinary Shares.