

3155883

CSL (COMMUNICATIONS) LIMITED

At an Extraordinary General Meeting of the Company held at Ashton House 495 Silbury Boulevard Central Milton Keynes MK9 2AH on the 18th day of April, 2000 at 11.00 a.m. the following resolutions were passed as special resolutions:-

- (A) That the capital of the Company be increased to £2,223,751.00 by the creation of 1,955,000 C ordinary shares of 25p each, 580,000 deferred shares of 75p each, 2,600,000 D ordinary shares of 25p each and 1 voting share of £1.00 in the capital of the Company.
- (B) That the Board be unconditionally authorised for the purpose of the Companies Act 1985 ("the Act") Section 80 to exercise all the powers of the Company to allot relevant securities up to a maximum nominal amount of £488,751.00 provided that this authority shall expire 5 years from the date of the passing of this resolution and this authority shall replace any previous authorities given under the Act which are revoked by this Resolution.
- (C) That the Board be empowered pursuant to the Act Section 95 to allot shares pursuant to the authority conferred by the previous resolution as if Section 89(1) of the Act did not apply to such allotments referred to at paragraph (B) above.
- (D) That the Company's Articles of Association be deleted and that in its place the Articles of Association annexed to this Notice and signed by the Secretary by way of identification be adopted in their place.

Date: 20/06/2000

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Company Secretary



THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
of
CSL (COMMUNICATIONS) LIMITED

Company number: 3155883

Adopted by special resolution 18TH April 2000

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Definitions

1. In these articles the following words and phrases have the meanings set out opposite them below

"3i"	3i Group plc (and "a member of the 3i Group" shall mean 3i, any subsidiary of 3i and any company of which 3i is a subsidiary)
"the Act"	the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force
"Annual Review"	a review, following which the relevant sum shall be adjusted by the amount (if any) agreed in writing by holders of shares that confer 75% of the voting rights exercisable in general meeting. Any adjustment will be effective from November in the relevant year and will remain in effect until again adjusted. The first adjustment will be considered for the period from 1 November 1999
"Benefits"	all salary, fees and emoluments including sums paid by way of expenses allowance (if taxable), pension contributions and the cash value of benefits in kind
"Connected Persons"	as defined by section 839 Income and Corporation Taxes Act 1988

“a Controlling Interest”	an interest in shares (as defined in Schedule 13 Part 1 and section 324 of the Act) in a company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in that company
“Employee Member”	a person who is or has been a director and/or an employee of the Company or any of its subsidiaries
“Employee Trust”	a trust approved by the holders of shares that confer 75% of the voting rights exercisable in general meeting and whose beneficiaries are the bona fide employees of the Company or any of its subsidiaries
“Equity Shares”	A ordinary shares, B ordinary shares, C ordinary shares, D ordinary shares and ordinary shares
“Good Leaver”	<p>an Employee Member who ceases to be a director or employee of the Company or any of its subsidiaries and does not continue as either a director or employee in relation to any of them where such cessation occurs for one of the following reasons:</p> <ul style="list-style-type: none"> ▪ death; ▪ illness or disablement; or ▪ retirement at normal retirement age
“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 for the time being of the Institute of Chartered Accountants in England and Wales

“Net Profit”

the profit on ordinary activities before taxation of the Company and its subsidiaries calculated on the historical cost accounting basis and shown in the audited consolidated profit and loss account of the Company and its subsidiaries for the relevant financial year (to the nearest £1) but adjusted by:-

- adding back any amortisation of goodwill;
- adding back any amount in excess of £150,000 (subject to Annual Review) in the aggregate charged in respect of Benefits payable to Relevant Directors

“Original Members”

persons who were members of the Company on the date of the adoption of these articles and the Privileged Relations of such members

“Privileged Relations”

the spouse or widow or widower of the member and member’s children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member’s children

“Relevant Directors”

the directors and former directors of the Company and its subsidiaries (but only if such directors or former directors or their Connected Persons are interested in shares in the Company)

and their Connected Persons but excluding any director appointed by 3i

“Table A”

Table A in the Companies (Tables A - F) Regulations 1985 as amended by the Companies (Tables A - F) (Amendments) Regulations 1985

“Termination Date”

- where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;
- where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
- where the Employee Member concerned is a director but not an employee, the date on which his contract for services with the Company is terminated; and
- in any other case, the date on which the contract of employment is terminated

Application of Table A

- 2.1 The regulations contained in or incorporated in Table A shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent herewith and such regulations (save as so excluded varied or inconsistent) and the articles hereinafter contained shall be the regulations of the Company

- 2.2 Regulations 5, 33, 54, 73-80 (inclusive), 85, 86, 94-98 (inclusive) 104 and 119 of Table A shall not apply to the Company

Share capital

- 3.1 All authorities under s80 of the Act and all waivers under s89 and s95 of the Act given prior to the date of adoption of these Articles of Association and which have not been utilised shall be revoked by the adoption of these Articles (save in respect of 38,071 options over ordinary shares of the Company)
- 3.2 The authorised share capital of the Company is £2,223,751.00 divided into:
- 500,000 preference shares of 1 penny each
 - 158,714 A ordinary shares of £1 each
 - 248,215 B ordinary shares of £1 each
 - 1,955,000 C ordinary shares of 25p each
 - 238,071 ordinary shares of £1 each
 - 2,600,000 D ordinary shares of 25p each
 - 580,000 deferred shares of 75p each
 - 1 voting share of £1
- 3.3 For the purpose of determining the rights attaching to the C and D ordinary shares including without limitation rights in relation to any issue of shares, dividend or other distribution, return of assets or other reduction of capital each C and D ordinary share shall be treated as having a nominal value equal to that of each ordinary share, A ordinary share and B ordinary share. Notwithstanding the provisions of this Article 3.3 the C and D ordinary shares shall each constitute a separate class of shares

Dividends

4. The profits of the Company available for distribution shall be used to pay dividends in the following order of priority:-

4.1 First, in paying to the holders of the preference shares a net dividend ("the Preference Dividend") as follows:

Amount:	7 pence per share per annum
Accrual date:	accruing from 1 November 2002
Payment dates:	the first payment date will be 30 April 2003 and then half yearly on 30 April and 31 October each year. The first payment will be in respect of the period from the accrual date to 30 April 2003

4.2 Secondly in paying to the holders of the ordinary shares, A ordinary shares, B ordinary shares, C ordinary shares and D ordinary shares (pari passu as if the same were one class of share and in accordance with Article 3.3 as if each C and D ordinary share had a nominal value equal to that of each A ordinary share, B ordinary share and ordinary share) a net cash dividend equal to 15% of the Net Profit ("the Participating Dividend(s)")

Accrual date:	accruing from the date of adoption of these Articles of Association
Payment dates:	not later than 3 months after the audit report on the accounts of the Company for the relevant period is signed by the Company's auditors and published to members.

the first and second of such Participating Dividends as become due shall not be declared or paid until the expiry of 2 months following the publication of the Net Profit figure to holders of Convertible Loan Stock 2000.

4.3 Thirdly and provided that

4.3.1 all preference shares which have fallen due for redemption have been redeemed;

4.3.2 there are no arrears of any other dividends

any remaining profits which the Company may determine to distribute shall, if the holders of shares that confer 66.66% of the voting rights exercisable in general meeting agree in writing, be distributed amongst the holders of the ordinary, A ordinary, B ordinary, C ordinary and D ordinary shares (pari passu as if the same were one class of share and in accordance with Article 3.3 as if each C and D ordinary share had a nominal value equal to that of each A ordinary share, B ordinary share and ordinary share)

4.4 Every dividend shall be distributed to the appropriate shareholders pro rata according to the amounts paid up or credited as paid up or treated as paid up by Article 3.3 on the shares held by them respectively and shall accrue on a daily basis. All dividends are expressed net and shall be paid in cash and are cumulative

4.5 Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act the Preference Dividend and the Participating Dividend shall be paid immediately on the due date. Such payment shall be made notwithstanding regulations 102 to 108 inclusive contained in Table A or any other provision of these articles and in particular notwithstanding that there has not been a recommendation of the directors or resolution of the Company in general meeting. If they are not paid

on the due date they shall be a debt due by the Company and shall be payable in priority to any other dividend.

- 4.6 The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time and to the extent that it may lawfully do so declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of any redemption moneys due on the preference shares and the Preference Dividend and the Participating Dividend
- 4.7 All dividends in arrears or accrued but not paid prior to the date of the adoption of these Articles of Association shall be and are deemed to be waived by the relevant shareholders.

Return of capital

5. On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority:-

- 5.1 first in paying to the holders of the preference shares £1 per share together with a sum equal to any arrears or accruals of the Preference Dividend calculated down to the date of the return of capital;
- 5.2 second in paying to the holders of the C ordinary shares and to the holders of any D ordinary shares that have resulted from the conversion of C ordinary shares held by such holders 27.33525p per share together with a sum equal to any arrears or accruals of the dividends on the C ordinary shares calculated down to the date of the return of capital
- 5.3 third in paying to the holders of the A ordinary shares and to the holders of any D ordinary shares that have resulted from the conversion of A ordinary shares

held by such holders £3.15032070264 per share together with a sum equal to any arrears or accruals of the dividends on the A ordinary shares calculated down to the date of the return of capital;

- 5.4 fourth in paying to the holders of B ordinary shares and to the holders of any D ordinary shares that have resulted from the conversion of B ordinary shares held by such holders £3.25 per share together with a sum equal to any arrears or accruals of the dividends on the B ordinary shares calculated down to the date of the return of capital;
- 5.5 fifth in paying to the holders of ordinary shares £1 per share; and
- 5.6 sixth in paying to the holders of the deferred shares 0.001 per share
- 5.7 the balance of such assets shall be distributed amongst the holders of the A ordinary shares, B ordinary shares, C ordinary shares, D ordinary shares and ordinary shares (pari passu as if the same constituted one class of share and in accordance with Article 3.3 as if each C and D ordinary share had a nominal value equal to that of each A ordinary share, B ordinary share and ordinary share) in proportion to the amounts paid up or credited as paid up or treated by Article 3.3 as paid up on the A ordinary shares, B ordinary shares, C ordinary shares, D ordinary shares and ordinary shares held by them respectively

Conversion of A ordinary B ordinary C ordinary and ordinary shares

- 6.1 The holders of the A ordinary shares, B ordinary shares and ordinary shares may at any time convert the whole or part of their shareholding into a like number of D ordinary shares of 25p each and deferred shares of 75p each. The holders of the C ordinary shares may at any time convert the whole or part of their shareholding into a like number of D ordinary shares of 25p each. The following provisions of this article shall apply to the conversion

- 6.2 The conversion shall be effected by notice in writing given to the Company signed by the holders of shares that confer 75% of the voting rights exercisable in general meeting. The conversion shall take effect immediately upon the date of delivery of such notice to the Company (unless such notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled in which case conversion shall take effect when such conditions have been fulfilled).
- 6.3 Forthwith after conversion takes effect the holders of the resulting D ordinary shares and (where applicable) deferred shares shall send to the Company the certificates in respect of their respective holdings of A, B, C ordinary or ordinary shares as the case may be. The Company shall issue to such holders certificates for the appropriate D ordinary shares and (if applicable) deferred shares resulting from the conversion.
- 6.4 The D ordinary shares resulting from the conversion shall rank from the date of conversion pari passu in all respects with other D ordinary shares in the capital of the Company. The deferred shares resulting from the conversion shall rank from the date of conversion pari passu in all respects with other deferred shares in the capital of the Company.
- 6.5 On the date of conversion the Company shall pay a dividend to the holders of all shares to be converted of a sum equal to any arrears or accruals of dividends.
- 6.6 Subject to the provisions of the Act and provided that the holders of shares that confer 75% of the voting rights exercisable in general meeting agree in writing the A ordinary, B ordinary, C ordinary and ordinary shares shall immediately convert upon **either** of the following dates:-
- 6.6.1 the date upon which any of the equity share capital of the Company is admitted to the Official List of London Stock Exchange Limited or permission for any of the equity share capital of the Company to be

dealt in on a share dealing market of any recognised investment exchange (as defined in Section 207 of the Financial Services Act 1986) becomes effective; or

6.6.2 the date upon which a successful offer to purchase shares that confer 90% or more of the voting rights exercisable in general meeting (or shares that confer 90% or more of the voting rights exercisable in general meeting including any already held by the offeror) is completed

6.6.3 If any holder of any A ordinary, B ordinary, C ordinary or ordinary share does not do all things necessary to effect conversion under this sub-article such defaulting shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose of the Company to be his agent and attorney to execute all documentation and deal with all matters necessary to effect conversion under this sub-article

6.6

Redemption of preference shares

7.1 Subject to the provisions of the Act the preference shares shall be redeemed in the proportions and on the dates set out below:-

<u>Redemption date</u>	<u>Number of shares redeemable</u>
30 June 2003	71429
31 December 2003	71429
30 June 2004	71429
31 December 2004	71429
30 June 2005	71429
31 December 2005	71429
30 June 2006	71426

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

7.2 The Company shall pay on each of the preference shares redeemed the sum of £1. At the same time it shall pay any arrears or accruals of the Preference Dividend calculated to the date of redemption. In the absence of any direction to the contrary by the holder of the relevant preference shares any moneys paid on redemption of such share shall relate first to the said arrears and accruals of Preference Dividend. The Preference Dividend shall cease to accrue from the date of payment of the redemption moneys.

7.3 Subject to the provisions of the Act the Company may at any time without penalty redeem all or (in instalments of not less than 10,000 shares, subject to a minimum of 100,000 shares) some of the preference shares in advance of the due date for redemption. In the absence of any contrary agreement between such holders and the Company any partial early redemption shall be deemed to relate to the shares falling due for redemption in inverse order of maturity.

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

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

7.4.2 the date upon which a successful offer to purchase shares that confer 90% or more of the voting rights exercisable in general meeting (or

shares that confer 90% or more of the voting rights exercisable in general meeting including any already held by the offeror) is completed

- 7.5 On the dates fixed for any redemption the Company shall pay to each registered holder of preference shares the amount payable in respect of such redemption and upon receipt of that amount each such holder shall surrender to the Company the certificate for his shares which are to be redeemed in order that they may be cancelled. If any certificate so surrendered includes any shares not redeemable at that time the Company shall issue a fresh certificate for the balance of the shares not redeemable to the holder.

Voting

8. Shares in the Company shall carry votes as follows:

ordinary shares:	one vote per share
A ordinary shares:	one vote per share
B ordinary shares:	one vote per share
C ordinary shares:	one vote per share
D ordinary shares:	one vote per share
preference shares:	no vote
deferred shares:	no vote
voting share:	1,930,536 votes less the number of votes that the C ordinary shares issued as a result of conversion of Convertible Loan Stock 2000 carry (for this purpose any subsequent conversion of C ordinary shares into D ordinary shares shall be assumed not to have occurred)

The preference shares shall carry the right to receive notice of general meetings of the Company but not the right to attend such meetings.

The holders of deferred shares shall have no right as such to receive notice of or attend or vote at any general meeting of the Company

Votes on shares may be exercised:

- on a show of hands by every member who (being an individual) is present in person or (being a corporation) is present by a representative (in which case each member holding shares with votes shall have one vote)
- on a poll by every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case each member holding shares with votes shall have one vote for each such share held save that the Voting shareholder (as defined in Article 8.1.2) shall have the number of votes set out in Article 8.1.1.

8.1 Voting Share

8.1.1 The holder of the voting share shall have the right to attend and vote at general meetings of the Company. The Voting shareholder shall be entitled to 1,930,536 votes less the number of votes that the C ordinary shares in issue as a result of conversion of the Convertible Loan Stock 2000 issued by the Company carry (for this purpose any subsequent conversion of C ordinary shares into D ordinary shares shall be assumed not to have occurred)

8.1.2 Heald Heffron (or any successor firm) ("the Voting shareholder") shall be hold the voting share upon trust absolutely for all holders of Convertible Loan Stock 2000 ("the Loan Stockholders") and will vote or exercise any right in respect of the voting share only in accordance with the written instructions of the Loan Stockholders. For that purpose the Company will provide Loan Stockholders with a form that sets out the resolutions to be considered at all forthcoming general meetings. Such form shall offer a choice of instructions for the determination by the

Loan Stockholders. Such form shall be sent to Loan Stockholders at the same time as the notice of the relevant meeting and shall be returned to the Company by the Loan Stockholders at least 48 hours prior to such meeting or by such time as set out in such notice of meeting. The form shall be accompanied by a copy of all notices and other information circulated to members of the Company in respect of the relevant meeting

8.1.3 The Voting Shareholder shall take such action as required to effect the rights of the Loan Stockholders as if they were members of the Company in respect of inter alia:

- (i) any requisitions of meetings on behalf of Loan Stockholders
- (ii) the exercise of any pre-emption and transfer rights by on behalf of Loan Stockholders
- (iii) any other matter that directly or indirectly affects the rights of the C ordinary shares

8.1.4 Notwithstanding any other provisions of the Articles the Board will be bound to offer to all holders of Equity Shares and holders of Convertible Loan Stock 2000 ("loan stockholders") any shares or any other securities of whatever form that possess indirectly or directly equity rights in the Company which the Board determines (subject to Article 9.2 below) to issue pro rata as nearly as may be to the respective numbers of Equity Shares held by such members and loan stockholders (on the assumption that the Convertible Loan Stock 2000 had converted)

8.1.5 The Voting share confers no right to receive a dividend or any right to participate in the profits or assets of the Company and shall not be

transferable save by a nominee transfer or under the following paragraph sub-article 8.1.6

- 8.1.6 Subject to the Act and provided that all Convertible Loan Stock 2000 has been converted the Company shall have the option at any time on 7 days notice to purchase the voting share for £1.00

8.2 Deferred shares

- 8.2.1 The holders of deferred shares shall have no right to receive a dividend at any time and shall have no right as such to receive notice of or to attend or vote at any general meeting of the Company

- 8.2.2 The class rights of deferred shares shall not be deemed to be varied by any act of the Company

- 8.2.3 Subject to the Act the Company shall have the option at anytime on 7 days' notice to purchase the deferred shares from the holders of such shares at a price of 0.05p per share

- 8.2.4 If a holder of deferred shares does not execute the necessary documentation in connection with the transfer of his shares pursuant to the exercise of the option in sub-article 8.2.3 then such defaulting shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Company to be his agent and attorney to execute all necessary documentation on his behalf and the directors shall forthwith make the appropriate entries in the books of the Company and the validity of such proceedings shall not be questioned by any such person

Class rights and authorities

9.1 Whenever the capital of the Company is divided into difference classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of 75% of the class of share concerned

9.2 The following events shall be deemed not to be a variation of class rights but shall require the consent in writing of holders of shares that confer 66.66% of the voting rights exerciseable in general meeting who shall be so authorised for such purposes:-

9.2.2 the Company:

9.2.2.1 altering its memorandum or articles of association (other than a variation of class rights); or

9.2.2.2 applying by way of capitalisation any sum in or towards paying up any share or loan capital of the Company; or

9.2.2.3 entering into a contract to purchase any of its shares; or

9.2.2.4 redeeming any of its shares (except as specifically provided for in these articles); or

9.2.3 the Company or any of its subsidiaries:

9.2.3.1 altering, increasing, reducing, sub-dividing or consolidating its authorised or issued share capital

9.2.3.2 granting any option or other rights to subscribe for shares (save for the existing options granted to Simon Bank, Alan Renforth, Caitriona Moloney, Nigel Worsley, Elderstreet Corporate

Finance and Charles Sebag-Montefiore over a total of 29,071 ordinary shares and the options to be granted to certain employees over a total of 9,000 ordinary shares)

Transfer of shares

10. The directors shall refuse to register any transfer of shares made in contravention of the provisions of these articles but (subject to Regulation 24 of Table A) shall not otherwise be entitled to refuse to register any transfer of shares. For the purposes of ensuring that a particular transfer of shares is permitted under the provisions of these articles, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question

Permitted and mandatory transfers

Permitted transfer to relations

11.1 Notwithstanding any other provision in these articles any member may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any shares held by him to a Privileged Relation

Permitted transfers by 3i

11.2 Notwithstanding any other provisions of these articles a transfer of any shares in the Company held by any member of the 3i Group may be made between the member in the Group holding such shares and any other member in the 3i Group without restriction as to price or otherwise and any such transfer shall be registered by the directors. If any such transferee ceases to be a member of the

3i Group it shall forthwith transfer the relevant shares to a member of the 3i Group.

Transfers with shareholder approval

11.3 Notwithstanding any other provisions of these articles a transfer of any shares approved by holders of shares that confer 66.66% of the voting rights exercisable in general meeting may be made without restriction as to price or otherwise and any such transfer shall be registered by the directors.

Mandatory transfer on cessation of employment

11.4 If an Employee Member ceases to be a director or employee of the Company or any of its subsidiaries and does not continue in that capacity in relation to any of them, Transfer Notices shall be deemed to have been served on the relevant Termination Date in respect of :

- 11.4.1 all shares held by the Employee Member immediately before such cessation; and
- 11.4.2 all shares then held by the Employee Member's Privileged Relations (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Employee Member or (ii) by reason of their connection with the Employee Member and the decision of the board of directors in this respect will be final); and
- 11.4.3. all shares acquired after the Termination Date by the Employee Member, the Employee Member's Privileged Relations or the personal representatives of an Employee Member pursuant to options or other rights acquired by the Employee Member prior to the Termination Date or on conversion of Convertible Loan Stock 2000.

Transfers under this sub-article are in these articles referred to as Compulsory Employee Transfers

Mandatory transfer on change of control of shareholder

- 11.5 If a corporate member ceases to be within the control (as such term is defined by section 840 Income and Corporation Taxes Act 1988) of the person(s) who controlled such company on the date on which it became a member of the Company or on the date of adoption of these articles (whichever shall be the later) it shall be deemed to have immediately given a Transfer Notice in respect of all the shares as shall then be registered in its name; provided that this sub-article shall have no application to 3i or to any member of the 3i Group

Pre-emption rights

Transfer notices

- 12.1 Save as otherwise provided in these articles every member who desires to transfer any shares (hereinafter called "the Vendor") shall give to the Company notice in writing of such desire (in these articles called a "Transfer Notice"). Where the Transfer Notice is deemed to have been given it is referred to as a Deemed Transfer Notice. Transfer Notices and Deemed Transfer Notices shall constitute the Company the Vendor's agent for the sale of the shares specified therein (hereinafter called "the Sale Shares") in one or more lots at the discretion of the directors at the Sale Price.

Calculation of the Sale Price

- 12.2 The Sale Price shall be the price agreed by the Vendor and the directors. If the Vendor and the directors are unable to agree a price within 28 days of the Transfer Notice being given or being deemed to have been given the Sale Price will instead be the price which the Independent Expert shall certify to be in his opinion a fair value thereof. In arriving at his opinion the Independent Expert will value the shares on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction. The

decision of the Independent Expert as to the Sale Price shall be final and binding.

Restriction of Sale Price for certain transfers by Employee Members

12.3 In the case of Compulsory Employee Transfers where the Employee Member is not a Good Leaver the Sale Price shall be restricted to a maximum of the original subscription price of the Sale Shares provided that this sub-article shall not apply to Simon Banks or Alan Leddy where they cease to be a director or employee after 5 February 2000 unless they are summarily dismissed nor shall this sub-article apply to any shares deriving from the conversion of the Convertible Loan Stock 2000.

Right of vendor to reject partial sales

12.4 A Transfer Notice (but not a Deemed Transfer Notice) may contain a condition ("a Total Transfer Condition") that unless all the shares comprised therein are sold by the Company pursuant to this article none shall be sold. Any such provision shall be binding on the Company

Certification of the Sale Price and right of Vendor to cancel

12.5 If the Independent Expert is asked to certify the fair value his certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Vendor. The Vendor shall be entitled by notice in writing given to the Company within ten days of the service upon him of the copy certificate to cancel the Company's authority to sell the Sale Shares unless the shares are to be sold pursuant to a Deemed Transfer Notice. The cost of obtaining the certificate shall be paid by the Company unless the Vendor cancels it in which case the Vendor shall bear the cost.

Pre-emptive offers-general

12.6 Once the Sale Price has been determined then unless the Vendor gives a valid notice of cancellation the Sale Shares shall be offered for sale as set out below.

All offers made by the Company shall give details of the number and Sale Price of the Sale Shares

Preliminary offer to a “Warehouse”

12.7 So long as holders of shares that confer 75% of the voting rights exercisable in general meeting agree in writing any shares being sold by reason of a Compulsory Employee Transfer shall first be offered to the Company except no such offer shall be made if any resultant purchase by the Company would result in the Company becoming a subsidiary company of any member of the 3i Group. Whether a company is a subsidiary shall be determined by 3i and shall include subsidiaries under tax legislation and company law and in the event that 3i so determines the shares in question shall instead be offered for sale to an Employee Trust. Any shares not sold under this sub-article within 21 days of such offer will be offered for sale to the members of the Company as set out below

First Offer

12.8 As soon as Sale Shares become available they shall be forthwith offered for sale by the Company to all holders of Equity Shares and the holders of Convertible Loan Stock 2000 ("the loan stockholders") (other than the Vendor) pro rata as nearly as may be to the respective numbers of Equity Shares held by such members and loan stockholders (on the assumption that the Loan Stock had converted).

Any offer made by the Company under this sub-article will invite the relevant members and loan stockholders to state in writing the maximum number of the shares offered to them they wish to purchase and the offer will remain open for 21 days ("the First Offer Period")

Second Offer

12.9 If at the end of the First Offer Period there are any Sale Shares offered which have not been allocated the Company shall offer such shares to such members

and loan stockholders as have stated in writing their willingness to purchase all the shares previously offered to them.

This offer will invite the relevant members and loan stockholders to state in writing the maximum number of shares they wish to purchase. If there are insufficient Sale Shares to meet the demand then the directors will allocate the Sale Shares pro rata as nearly as may be in proportion to the respective numbers of Equity Shares held by the relevant members and loan stockholders (on the assumption that the Loan Stock had converted). This offer will remain open for a further period of 21 days

Thereafter the Company shall continue to make offers on the same terms while any member and loan stockholder continues to state in writing his willingness to purchase all shares offered to him.

Transfer procedure for pre-emptive offers

12.10 If the Company finds a purchaser for all or any of the Sale Shares under the terms of this article the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons. If the Vendor defaults in transferring Sale Shares the Company shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the Sale Shares as shall have been transferred to them.

Transfers free of pre-emption

12.11 If the Company does not find purchasers for all of the Sale Shares under the terms of this article the Vendor shall at any time within six months after the final offer by the Company to its members and loan stockholders be free to sell and transfer such of the Sale Shares as have not been so sold to any person at a

price which is no less than the Sale Price. However if the Sale Shares were the subject of a Total Transfer Condition such a sale may only be made of all of the shares and not part only

Effect of non-compliance

12.12 Any purported transfer of shares otherwise than in accordance with the provisions of these articles shall be void and have no effect.

Transfer of control

Transfers prohibited absolutely

13.1 No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained in the Company by a company in which one or more of the members of the Company (or persons acting in concert with them) has a Controlling Interest.

Transfers permitted where offer is made shares

13.2 No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered without the consent in writing of the holders of 75% of the aggregate of the votes exercisable by the A ordinary shareholders and D ordinary shareholders (limited to their holdings of D ordinary shares derived from the conversion of A ordinary shares) and the holders of 75% of the aggregate of the votes exercisable by the C ordinary shareholders and the D ordinary shareholders (limited to their holdings of D ordinary shares derived from the conversion of C ordinary shares) and the Voting Shareholder if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained in the Company by a person or persons who are not Original Members unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have offered to purchase all the A ordinary shares, any D ordinary shares that have been issued by way of conversion of the A ordinary

shares and the C ordinary shares (together with the Convertible Loan Stock 2000 as if they had converted and any D ordinary shares that have been issued by way of conversion of the C ordinary shares) at the Specified Price (calculated as set out below) and (if not redeemed) all the preference shares at a price per share of at least £1 plus a sum equal to any arrears or accruals of the Preference Dividend calculated and other dividends down to the date of sale or transfer.

If any part of the Specified Price is to be paid except by cash then the holders of the A ordinary shares, any D ordinary shares that have been issued by way of conversion of the A ordinary shares and C ordinary shares (together with the Convertible Loan Stock 2000 as if they had converted any D ordinary shares that have been issued by way of conversion of the C ordinary shares) may, at their option, elect to take a price per share of such cash sum as may be agreed by them and the proposed transferee having regard to the transaction as a whole

Calculation of the Specified Price

13.3 In this article the “Specified Price” means the greater of :

(1)

- £3.15032070264 per share (in the case of A ordinary shares and any D ordinary shares derived from the conversion of the A ordinary shares) and 27.33525p (in the case of C ordinary shares and any D ordinary shares derived from the conversion of the C ordinary shares and the equivalent for Convertible Loan Stock 2000 assuming they had been converted), plus
- all arrears and accruals of the dividends on such share calculated down to the date of sale or transfer

and

(2)

- the consideration (in cash or otherwise) per share equal to that offered or paid or payable by the proposed transferee or his or their nominees for the shares being acquired, plus

- the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other 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, plus
- all arrears and accruals of the dividends on such share calculated down to the date of the sale or transfer

In the event of disagreement the calculation of the Specified Price shall be referred to an Independent Expert whose decision shall be final and binding

Primacy of article

13.4 All other regulations of the Company relating to the transfer of shares and the rights to registration of transfers shall be read subject to the provisions of this article.

13.4 Drag along

13.4.1 If holders of shares that confer 90% of the voting rights exerciseable in general meeting ("the Selling Shareholders") wish to transfer all their interest in Equity Shares and Convertible Loan Stock 2000 comprising such 90% (together "the Sellers' Shares") to a bona fide arms length purchaser ("the Third Party Purchaser") the Selling Shareholders shall have the option ("the Drag Along Option") to require all the other holders of Equity Shares ("the Called Shareholders") to sell and transfer all their shares to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of this article

13.4.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect ("a Drag Along Notice") at any time before the transfer of the Sellers' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Equity Shares ("the Called Shares") pursuant to this article, the person to whom they are to be transferred, the consideration

for which the Called Shares are to be transferred (calculated in accordance with this article) and the proposed date of transfer

- 13.4.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice
- 13.4.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall, at the option of the Selling Shareholders, be either:
- (i) the same as that attributed by the offer from the Third Party Purchaser to each Equity Share of the same class ("the Equivalent Consideration"); or
 - (ii) any other consideration certified by the Company's auditors as being not less favourable than the Equivalent Consideration
- 13.4.5 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless:
- 13.4.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise; or
 - 13.4.5.2 that date is less than 3 days after the Drag Along Notice where it shall be deferred until the third day after the Drag Along Notice

- 13.4.6 The rights of pre-emption set out in these articles shall not arise on any transfer of shares to the Third Party Purchaser (or as he may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served
- 13.4.7 If any holder of Equity Shares does not on Completion of the sale of Called Shares execute transfer(s) in respect of all the Called Shares held by him the defaulting holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf and against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares deliver such transfer(s) to the Third Party Purchaser (or as he may direct) and the directors shall forthwith register the Third Party Purchaser (or as he may direct) as the holder thereof and after the Third Party Purchaser (or his nominee) has been registered as the holder the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to registration of shares under this sub-article that no share certificate has been produced
- 13.4.8 Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to conversion of Convertible Loan Stock 2000 ("a New Member") a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Along Notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this article shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member

Interpretation

13.5 In this article 13:

- 13.5.1 the expressions “transfer” and “transferee” shall include respectively the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment;
- 13.5.2 the expression “shares” includes bearer shares, depository receipts and any other security or instrument into which shares may be converted with a view to a sale;
- 13.5.3 whether or not persons are acting in concert will be determined by the then most recent edition of the City Code on Takeovers and Mergers.

Appointment of Directors

14. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director. In addition, the holders of shares representing more than half of the shares which carry the right to attend and vote at general meetings of the Company may by notice to the Company together appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

3i appointee

15. Notwithstanding any other provisions of these articles, so long as 3i is the holder of any preference shares or any other shares exercising more than 10% of voting rights exercisable at general meetings of the Company, it shall be entitled to appoint as a director of the Company any person approved by the directors (whose approval shall not be unreasonably withheld) and to remove from office any person so appointed and

(subject to such approval) to appoint another person in his place. Upon request by 3i the directors shall also procure that the 3i appointee is appointed and acts as Chairman of the board of directors of the Company. The remuneration and reasonable expenses to be paid to the 3i appointee shall be payable by the Company and shall be such sum as may be agreed between him and the Company or failing agreement such reasonable sum as shall be fixed by 3i. Upon request by 3i the Company shall also procure that the 3i appointee be appointed a director to any subsidiary of the Company.

Meetings of directors

16. Notice of every meeting of the directors shall be given to each director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him. Meetings of the directors may, be held by conference telephone or similar equipment, so long as all the participants can hear each other. Such meetings shall be effective as if the directors had met in person.

Directors' conflict of interest

17.1 Subject to the provisions of the Act and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:-

17.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;

17.1.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body

corporate promoted by the Company or in which the Company is in any way interested;

17.1.3 may (and any firm or company of which he is a partner or member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;

17.1.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and

17.1.5 shall be entitled to vote and be counted in the quorum or any matter referred to in the foregoing paragraph of this article.

17.2 For the purpose of this article:-

17.2.1 a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;

17.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

17.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these articles were adopted) connected with a director shall be treated as an interest of the director

and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

Lien

18.1 The lien conferred by regulation 8 of Table A shall apply to all shares of the Company whether fully paid or not and to all shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of several joint holders.

18.2 The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

Seal

19. Regulation 6 of Table A shall be modified so as to remove the reference to the company seal and regulation 101 of Table A shall be modified by the insertion of the words " , if the Company has one," after the words "The seal" at the beginning of that regulation.

Indemnity

20.1 Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material

breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

- 20.2 The Company may purchase and maintain insurance against any liability falling upon its directors or other officers or auditors which arises out of their respective duties to the Company or in relation to its affairs.

Member(s) requisition of meetings

- 21.1 The directors shall, on a member's requisition, forthwith duly convene an extraordinary general meeting of the Company
- 21.2 A member's requisition is a requisition of any member of the Company holding at the date of the deposit of the requisition not less than one-tenth in number of the votes exercisable by holders of shares which carry the right to attend and vote at general meetings of the Company
- 21.3 The requisition must state the objects of the meeting and must be signed by the requisitionist(s) and deposited at the registered office of the Company and may consist of several documents in like form each signed by one or more requisitionists
- 21.4 If the directors do not within 21 days from the date of the deposit of the requisition duly convene a meeting, the requisitionist(s) or any one of them may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from that date
- 21.5 A meeting convened under sub-article 21.4 shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by directors

- 21.6 Any reasonable expenses incurred by the requisitionist(s) by reason of the failure of the directors duly to convene a meeting shall be repaid to the requisitionist(s) by the Company Any sums so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such of the directors as were in default
- 21.7 In the case of a meeting at which a resolution is proposed as a special resolution the directors will be deemed not to have duly convened the meeting if they do not give the notice required for special resolutions
- 21.8 The directors are deemed not to have duly convened a meeting if they convene a meeting for a date more than 28 days after the date of the notice convening the meeting