

THE COMPANIES ACT 1985

A PRIVATE COMPANY
LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

FORTE INTERNATIONAL HOLDINGS LIMITED

(Incorporated on 28 February 1996)

Lovell White Durrant
65 Holborn Viaduct
London EC1A 2DY



THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

FORTE INTERNATIONAL HOLDINGS LIMITED¹

1. The name of the company is FORTE INTERNATIONAL HOLDINGS LIMITED.¹
2. The registered office of the company is to be situate in England and Wales.
3. The objects of the company are:
 - (a) To carry on the business of a property and investment holding company in all its branches, and for that purpose in particular to acquire by purchase, lease, exchange or otherwise and hold by way of investment, land, buildings or other structures thereon, land covered by water, and any estate, interest, easement, servitude or right in or over such land, buildings or structures and any real or immovable property of any tenure or description in the United Kingdom or elsewhere in any part of the world, including (without limiting the generality of the foregoing) freehold or leasehold ground rents, reversions, mortgages and charges; and to acquire by purchase, subscription, exchange or otherwise and hold by way of investment, shares, stocks, securities or obligations issued or guaranteed by any person, firm, company or trust constituted or carrying on business in any part of the world or by any government, state, dominion, colony, public body or authority, supreme, municipal, local or otherwise, whether at home or abroad;
 - (b) To manage any such property and investments so acquired and to collect and receive the income and rents therefrom;
 - (c) To improve any property so acquired by constructing, reconstructing, pulling down, altering, adding to, enlarging, decorating, furnishing, fitting up and maintaining the same whether as offices, flats, houses, shops, factories, garages, warehouses, wharves or other buildings, works and conveniences and by advancing money to and entering

¹ The Company was incorporated as 243rd Shelf Investment Company Limited and by Special Resolution passed on 9 July 1996 changed its name to Forte International Holdings Limited.

into contracts and arrangements of all kinds with builders, tenants and others; and to provide services and amenities of all kinds;

- (d) To create freehold and leasehold ground rents and to grant leases, underleases, tenancies and licences;
- (e) To sell, assign, realise, vary, surrender, exchange or dispose of any property or investments for the time being of the company if from time to time it shall be found necessary or advisable so to do, but so that nothing in this Clause shall authorise the company to deal in property or investments by way of trade and so that all appreciations or surpluses realised from the sale, assignment, realisation, payment off or other disposal of property or investments or from any variation or exchange of property or investments or other realisations of capital assets shall be regarded and treated as capital surpluses and shall not be regarded or treated as profits of the company available for dividend, but may nevertheless be capitalised in accordance with the company's Articles of Association;
- (f) To carry on all kinds of financial, trust, agency and broking business and any other business which is capable of being carried on by an individual;
- (g) To promote companies and ventures for any purpose whatsoever and to undertake and assist in financial operations of every description;
- (h) To advance, issue, deposit or lend money, securities and property of any kind, and to draw, make, issue, accept, discount, buy, sell, hold and exchange, bills, notes, warrants, coupons and other negotiable or transferable instruments, documents and obligations;
- (i) To receive money on deposit or loan and to borrow or raise money and to secure or discharge any debt or obligation of or binding on the company by the issue of debentures or debenture stock or in any other manner;
- (j) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the company, and to issue at par or at a premium or discount, and for such consideration, and with such rights, powers and privileges as may be thought fit, debentures, mortgage debentures or debenture stock, payable to bearer or otherwise, and either permanent or redeemable or repayable, and collaterally to secure any securities of the company by a trust deed or other assurance;
- (k) To issue and deposit any securities which the company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities;
- (l) To guarantee, support or secure, whether by direct obligation or covenant or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the company or by any one or more or all of such methods or by any other method, and whether or not the company receives any advantage therefor, the performance of any obligations or commitments, and the repayment or payment of the principal amounts of or the premiums, interest and dividends on any securities, of any person, firm or company, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary company or holding company of the company or a subsidiary company of such holding company or which is otherwise associated directly or indirectly with the company in business or through shareholdings;

- (m) To establish and maintain or procure the establishment and maintenance of any share option or share incentive or profit sharing schemes or trusts or noncontributory or contributory pension or superannuation schemes or funds for the benefit of, and to make or give or procure the making or giving of loans, donations, gratuities, pensions, allowances or emoluments (whether in money or moneys worth) to, or to trustees on behalf of, any persons who are or were at any time in the employment of the company, or of any company which is a subsidiary of the company or is allied to or associated with the company or with any such subsidiary company, or who are or were at any time directors or officers of the company or of any such other company as aforesaid, or any persons in whose welfare the company or any such other company as aforesaid is or has been at any time interested, and the wives, husbands, widows, widowers, families and dependants of any such persons, and to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the company or of any such other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards policies of assurance on the lives of any such persons and policies of insurance for the benefit of or in respect of any such persons as aforesaid (including insurance against their negligence or breach of duty to the company), and to pay, subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any political, public, general or useful object, and to do any of the above things, either alone or in conjunction with any such other company as aforesaid;
- (n) Subject as provided in subclause (e) of this Clause to distribute among the members in specie any property of the company, or any proceeds of sale or disposal of any property of the company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law;
- (o) To carry on any other business or activity, whether investing manufacturing trading or otherwise, which may seem to the company capable of being conveniently carried on in connection with the business of the company, or calculated, directly or indirectly, to be for the benefit of and to promote the prosperity of the company, or to enhance the value of or render more profitable any of the company's property or to advance the interests of the company or of its members;
- (p) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the company for such consideration as may seem expedient;
- (q) To adopt such means of making known the businesses or any of them or the products of the company or the businesses or products of any other person as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication in books and periodicals, and by granting prizes, rewards and donations, and to carry on and conduct prize and competition schemes or any scheme or arrangement of any kind, either alone or in conjunction with any other person, firm or company, whereby the said businesses or any of them may be promoted or developed, or whereby the said products may be more extensively advertised and made known;
- (r) To enter into any arrangement with any government or authority, supreme, municipal, local or otherwise, of any country, and to obtain from any such government or authority all legislation, orders, rights, concessions, and privileges that may seem requisite;

- (s) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or cooperation with any company, firm or person;
- (t) To purchase or otherwise acquire and undertake all or any part of the business, property, liabilities and transactions of any person, firm or company which is calculated to benefit this company or to advance its interests, or which comprises any property suitable for any purpose of the company;
- (u) To pay for any property or rights acquired by the company either in cash or fully or partly paid-up shares, with or without preferred or deferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or by any securities which the company has power to issue, or partly in one mode and partly in another, and generally on such terms as may seem expedient;
- (v) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the company either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as may seem expedient and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired;
- (w) To amalgamate with any other company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any other such company as aforesaid, with or without winding-up or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any other such company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner;
- (x) To pay out of the funds of the company all expenses which the company may lawfully pay of or incidental to the formation, registration and advertising of or raising money for the company and the issue of its capital, including brokerage and commissions for obtaining applications for or taking, placing or underwriting shares, debentures or debenture stock, and to apply at the cost of the company to Parliament for any extension of the company's powers;
- (y) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, subcontractors, trustees or otherwise; and
- (z) To do all such other things as are in the opinion of the company incidental or conducive to the above objects or any of them.

The objects specified in each of the paragraphs of this Clause shall not, except where the context expressly so requires, be in any way limited or restricted by the terms of any other paragraph and shall be construed as separate, distinct and independent objects capable of being performed and carried out separately, distinctly and independently of each other.

4. The liability of the Members is limited.

- 5². The share capital of the company is £62,000,000 divided into 180,000,000 ordinary shares of 25p and 68,000,000 cumulative participating redeemable preference shares of 25p each.

² The Company was incorporated with a share capital of £100, the share capital of the Company was increased to £62,000,000 and sub-divided into 180,000,000 ordinary shares of 25 pence each and 68,000,000 cumulative participating redeemable preference shares of 25 pence each by Special Resolutions passed on 29 August 1996.

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
<hr/> <p>1. D Simler Director for and on behalf of LOVITING LIMITED Registered Office 21 Holborn Viaduct London EC1A 2DY</p> <p>A Company limited by shares</p>	One
<p>2. CH Dawes Director for and on behalf of SERJEANTS' INN NOMINEES LIMITED Registered Office 21 Holborn Viaduct London EC1A 2DY</p> <p>A Company limited by shares</p>	One
Total shares taken	Two

Dated 2 February 1996

WITNESS to the above signatures,

J Broadbent
65 Holborn Viaduct
London EC1A 2DY

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

FORTE INTERNATIONAL HOLDINGS LIMITED³

Regulations of the company

1. The articles comprise these Articles and, save insofar as it is modified by these Articles, Table A (which expression means that Table as prescribed by regulations made pursuant to the Companies Act 1985 (the "Act") and in force on the date of incorporation of the company).
2. Regulations 8, 24, 53, 54, 60-62 (inclusive), 65-69 (inclusive), 73-80 (inclusive), 87, 90, 93, 100 and 118 in Table A do not apply to the company.

Share capital

- 3⁴. (A) The authorised share capital of the Company at the date of adoption of this Article is £62,000,000⁵ divided into 180,000,000 Ordinary Shares of 25p each ("Ordinary Shares") and 68,000,000 cumulative participating redeemable preference shares of 25p each ("Preference Shares").
- (B) Notwithstanding any other provisions of these Articles of Association, the rights and restrictions attaching to the Preference Shares are as follows:
 - (i) **Income**
 - (a) The holders of the Preference Shares (the "Holders") are entitled to receive a fixed cumulative preferential dividend in respect of each Preference Share in cash at the annual rate of 5.4873 per cent. (excluding any Associated Tax Credit) of the nominal amount of each Preference Share subject to adjustment as set out below (the "Preferential Dividend") which will be payable in equal half-yearly instalments in arrear (adjusted to take into account any interim Preferential Dividend paid pursuant to (b) below) on 15 February and 15 August in each year (or in either case if not a business day, on the next

³ The Company was incorporated as 243rd Shelf Investment Company Limited and by Special Resolution passed on 9 July 1996 changed its name to Forte International holdings Limited.

⁴ Article 3 was amended by Special Resolution passed on 29 August 1996.

⁵ The Company was incorporated with a share capital of £100. The share capital of the Company was increased to £62,000,000 and sub-divided into 180,000,000 ordinary shares of 25 pence each and 68,000,000 cumulative participating preference shares of 25 pence each by Special Resolutions passed on 29 August 1996.

business day) (each a "Fixed Dividend Date") and shall accrue from (and including) the preceding Fixed Dividend Date (or in the case of the first payment of Preferential Dividend, the date of allotment of the relevant Preference Shares to (but excluding) the next Fixed Dividend Date.

Any Preferential Dividend shall only be payable to the extent that payment of the same can be made out of profits available for distribution under the provisions of the Companies Act 1985, as amended (the "Companies Act") as at each Fixed Dividend Date. The Preferential Dividend is payable in priority to a payment of a Participating Dividend (as defined below) and a dividend to the holders of any other class of share of the Company.

In the event that any withholding or deduction for any taxes, duties, assessments or governmental charges of whatsoever nature is imposed, levied, collected, withheld or assessed by the United Kingdom on any Preferential Dividend payable on any Fixed Dividend Date, then subject to the Companies Act, the dividend payable on such Fixed Dividend Date shall be fixed at such annual rate as will ensure that the Preferential Dividend payable on such date after such withholding or deduction represents an annual rate equal to 5.4873 per cent. of the nominal amount of each Preference Share (excluding any Associated Tax Credit).

For these purposes, the term "Associated Tax Credit" in relation to any dividend means the tax credit under section 231 of the Income and Corporation Taxes Act 1988 (if any) (or any credit substantially similar thereto and replacing the same) to which a company resident in the United Kingdom would be entitled in respect of such dividend.

Any reference in this paragraph (a) to the United Kingdom shall mean the United Kingdom, any political sub-division thereof and any authority having power to levy or impose taxation therein.

- (b) The Company may pay an interim Preferential Dividend on the Preference Shares in respect of any period to but excluding the date of payment.
- (c) Subject to the Companies Act and to paragraph (d) below and in addition to any Preferential Dividend paid, the holders of the Preference Shares are entitled to a dividend in cash (the "Participating Dividend") the aggregate total of which shall be equal to 0.04 per cent. (excluding any Associated Tax Credit) of the aggregate dividend (excluding any Associated Tax Credit) paid at any one time in respect of the Ordinary Shares (the "Ordinary Dividend") after the date of allotment of the Preference Shares. The Participating Dividend shall be payable on the day on which the Ordinary Dividend is paid (a "Participating Dividend Date").
- (d) The maximum aggregate amount payable by way of Preferential and Participating Dividend in respect of each Preference Share in respect of each twelve month period beginning 15 August shall not exceed 1.8375p per Preference Share. In calculating in accordance with paragraph (c) above the amount of Participating Dividend payable, on any Participating Dividend Date it shall be assumed that the Preferential Dividend payable in respect of the twelve month period beginning 15 August in which such Participating Dividend Date falls shall be paid in full (whether or not yet payable) and shall be of such amount as, taking account of the applicable law as at the relevant Participating Dividend Date, will have been payable by way of Preferential

Dividend in such twelve month period applying paragraph (a) above. Accordingly, if necessary, to ensure that the maximum amount is not exceeded the relevant Participating Dividend will be reduced by an appropriate amount.

- (e) The Preference Shares do not confer a further right to participate in the profits of the Company.
- (f) The Company may pay any dividend or other amount payable in respect of a Preference Share (i) in cash, (ii) by cheque, warrant or money order made payable to or to the order of a Holder, (iii) by a bank or other funds transfer system to an account designated in writing by a Holder, or (iv) by such other method as a Holder may in writing direct.

(ii) **Capital**

- (a) On a return of capital on winding up or otherwise (other than on conversion, redemption or purchase of shares) the assets of the Company available for distribution among the members shall be applied in paying to the Holders the following amounts, in priority to a payment to the holders of any other class of share:
 - (1) the amount of any arrears and accruals of any Preferential Dividend to be calculated down to and including the date of commencement of the winding up (in the case of a winding up) or of the return of capital (in another case), to be payable whether or not the dividend has been declared or earned;
 - (2) the amount of any arrears of any Participating Dividend;
 - (3) the nominal amount of the Preference Shares; and
 - (4) a sum equal to 0.04 per cent. of all assets of the Company available for distribution after taking account of (1), (2) and (3) above and the nominal value of all other shares at the Company in issue

provided always that the aggregate sum paid in respect of each Preference Share under (1) to (4) above shall not exceed 30p.

- (b) The Preference Shares shall not confer any further right of participation in the assets of the Company.

(iii) **Redemption**

- (a) Subject to the provisions of these Articles and the Companies Act, the Preference Shares may be redeemed in whole or in part by the Holders or the Company at any time after 14 August 1999. On 15 August 2001 the Company shall redeem any Preference Shares remaining in issue.
- (b) Immediately prior to the redemption of any Preference Share the Company shall pay a Preferential Dividend on the Preference Share in respect of the period from (and including) the preceding Fixed Dividend Date down to and including the date of redemption together with all arrears of Preferential Dividend (if any) whether or not declared or earned and all arrears of Participating Dividend (if any).

- (c) A Preference Share shall not be redeemed if paragraph (b) above has not been complied with.
- (d) The redemption monies payable on each Preference Share are the nominal amount of the Preference Share.
- (e) Redemption is to be effected by giving to the Company or to the Holders of the Preference Shares to be redeemed, as appropriate, not less than 21 days' written notice (a "Redemption Notice"). The Redemption Notice shall specify the number of Preference Shares to be redeemed, the date fixed for redemption (the "Redemption Date") and the place at which the certificates for the Preference Shares are to be presented for redemption (which shall be the registered office of the Company).
- (f) On the Redemption Date the Holder whose Preference Shares are to be redeemed is bound to deliver to the Company at the registered office of the Company the certificate for the Preference Shares to be redeemed. On receipt, the Company shall forthwith pay to the Holder (or, in the case of joint holders, to the Holder whose name stands first in the register in respect of the relevant Preference Share) the redemption monies due to him. If the certificate includes Preference Shares not redeemable on that occasion, a new certificate for the balance of the Preference Shares shall be issued to the Holder without charge.
- (g) If the Holder whose Preference Shares are to be redeemed fails to deliver the certificate in accordance with paragraph (f) above to the Company, the Preference Shares shall nevertheless be redeemed on the Redemption Date but the Company may retain the redemption monies. The redemption monies shall be paid to the Holder within seven days of receipt of the certificate or a duly executed indemnity in respect of the certificate (if the certificate has been lost or destroyed) in a form previously approved by, and reasonably satisfactory to, the Company. No person shall have a claim against the Company for interest on retained redemption monies.
- (h) As from the Redemption Date, the Preferential Dividend ceases to accrue and the Participating Dividend ceases to be payable (except to the extent it is already then payable but not paid) in respect of redeemed Preference Shares unless, on the presentation of the certificate for the Preference Shares to be redeemed and a receipt for the redemption monies signed and authenticated in such manner as the Board reasonably requires, payment of the redemption monies is refused.
- (i) The receipt by the Holders (or, in the case of joint holders, the receipt of any of them) of the redemption monies, shall be an absolute discharge to the Company in respect of the redeemed Preference Shares.
- (j) The Board may, pursuant to the authority given by the adoption of this Article, consolidate and sub-divide the share capital available for issue as a consequence of a redemption of Preference Shares pursuant to this paragraph (iii) into Ordinary Shares or any other class of share into which the authorised share capital of the Company is at the time divided, each of a like nominal amount as the shares of that class then in issue, or into unclassified shares of the same nominal amount as the Preference Shares. The Board may issue shares in anticipation of redemption to the extent permitted by the Companies Act and the Articles.

(iv) **Pre-emption rights**

- (a) A Holder of the Preference Shares ("Selling Shareholder") who wishes to transfer any of its Preference Shares to a person who is not a United Kingdom tax resident member of Granada Group PLC group or the Lazard Brothers & Co., Limited, Lazard Frères & Co LLC or Caisse Nationale de Credit Agricole groups or otherwise not a United Kingdom tax resident member of the same group as Credit Agricole Lazard Financial Products Bank ("CALFP") (meaning in each case a subsidiary or holding company of the body corporate or a subsidiary of a holding company of the body corporate) shall, unless the Company or all the holders of Ordinary Shares agree otherwise, serve notice on the Company ("Sale Notice") stating that it wishes to transfer all its Preference Shares ("Sale Shares") and the Asking Price (as defined below) for each share).
- (b) The Selling Shareholder shall state in the Sale Notice that it is only willing to transfer all the Sale Shares and that no Sale Shares can be sold (whether to an existing member or a third party) unless offers are received for all of them.
- (c) The Sale Notice shall make the Company the agent of the Selling Shareholder for the sale of the Sale Shares on the following terms, which the Company shall notify to its other members within seven days of receiving the Sale Notice:
- (I) the consideration for each sale share (the "Asking Price") shall be the lower of:
- (aa) the aggregate of (x) the nominal amount of the Sale Share and (y) $\frac{1}{(1-T)}$ x the amount of any arrears and accruals of any Preferential Dividend relating to the Sale Share calculated down to and including Completion Date (as defined below) where T is in relation to any accounting period (within the meaning of section 12 of the Income and Corporation Taxes Act 1988) of the Selling Shareholder, the effective rate of corporation tax which would be applicable to the taxable profits of the Selling Shareholder arising in such accounting period (if there were such profits and ignoring for this purpose any special rate applicable to small companies or to any special class of companies of which the Selling Shareholder is not a member (and for these purposes the Selling Shareholder shall not be regarded as a member of any class of companies which comprises fewer than nine unrelated companies in addition to the Selling Shareholder)), such rate to be a weighted average calculated for financial years or other statutory periods which are not the same as such accounting period (the "Tax Rate"); and
- (bb) the consideration offered for each Sale Share by a bona fide third party offeror;
- (II) the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them;

- (III) each of the holders of the Ordinary Shares ("Ordinary Shareholders") is entitled to offer to buy the Sale Shares in proportions reflecting, as nearly as possible, the nominal amount of their existing holdings; an Ordinary Shareholder is entitled to offer to buy fewer Sale Shares than his proportional entitlement;
- (IV) Ordinary Shareholders may offer to buy any number of the Preference Shares that are not accepted by the other Ordinary Shareholders ("Excess Shares"); and
- (V) seven days after the Company's despatch of the terms for the sale of the Sale Shares (the "Closing Date"):
 - (aa) the Sale Notice shall become irrevocable;
 - (bb) an Ordinary Shareholder who has not responded to the offer in writing shall be deemed to have declined it; and
 - (cc) each offer made by an Ordinary Shareholder to acquire Sale Shares shall become irrevocable.
- (d) If there are any Excess Shares, each Ordinary Shareholder who offered to buy Excess Shares shall be entitled to a number of Excess Shares reflecting, as nearly as possible, the number of Excess Shares he offered to buy as a proportion of the total number of Excess Shares for which offers were received.
- (e) Within five days after Closing Date, the Company shall notify the Selling Shareholder and the Ordinary Shareholders who offered to buy Sale Shares of the result of the offer and if any Sale Shares are to be sold pursuant to the offer:
 - (I) the Company shall notify the Selling Shareholder of the names and addresses of the Ordinary Shareholders who are to buy Sale Shares and the number to be bought by each;
 - (II) the Company shall notify each Ordinary Shareholder of the number of Sale Shares he is to buy; and
 - (III) the Company's notices shall state a place and time, between three and seven days later, on which the sale and purchase of the Sale Shares is to be completed (the "Completion Date").
- (f) If the Selling Shareholder fails to transfer Sale Shares in accordance with paragraph (e) above, the Directors may authorise any Director to transfer the Sale Shares on the Selling Shareholder's behalf to the buying Ordinary Shareholders concerned against receipt by the Company of the Asking Price per share. The Company shall hold the Asking Price in trust for the Selling Shareholder without any obligation to pay interest. The Company's receipt of the Asking Price shall be a good discharge to the buying Ordinary Shareholder. The Directors shall then authorise registration of the transfer once appropriate stamp duty (if any) has been paid. The defaulting Selling Shareholder shall surrender his share certificate (or an indemnity in respect of the certificate (if the certificate has been lost or destroyed) in a form previously approved by, and reasonably satisfactory to, the Company) for the

Sale Shares to the Company. On surrender, he shall be entitled to the Asking Price for the Sale Shares.

- (g) If, by the Closing Date the Company has not received offers for all the Sale Shares, the Selling Shareholder may within the next six months transfer all the Sale Shares to any person at no less than the Asking Price per share with any other terms being no more favourable than those in the Sale Notice.

(v) **Issue of further preference shares**

No further preference shares ranking as regards participation in the profits or assets of the Company *pari passu* with or in priority to the Preference Shares may be created or issued without the prior written consent of the Holders of the Preference Shares.

(vi) **Attendance at general meetings and voting**

- (a) Preference Shares confer the right to receive notice of but not to attend or vote at a general meeting unless:

EITHER (I) at the date of the notice convening the meeting at a dividend relating to the Preference Shares is payable and has not been paid and for this purpose a dividend is deemed payable on the relevant Fixed Dividend Date or Participating Dividend Date (as appropriate) whether or not declared;

OR (II) the business of the meeting includes consideration of a resolution to wind up the Company or varying any of the special rights attached to the Preference Shares

in which case, if a holder is entitled to attend and vote as a result of (I) above, he may vote in respect of any resolution considered at the meeting and, if the holder is entitled to attend and vote as a result of (II) above, he may vote only in respect of a resolution referred to in (II).

(vii) **Fully-paid shares**

Preference Shares may only be issued fully paid or credited as fully paid.

- 4. (a) Subject to paragraph (d) of this Article the directors shall not without the authority of the company in general meeting allot any of the shares in the capital of the company.
- (b) Where authority has been given to the directors as referred to in paragraph (a) of this Article to allot shares the directors may subject to the terms of such authority and subject to any terms on which any shares are created or issued allot such shares to such persons (including any directors) at such times and generally on such conditions as they think proper provided that no shares shall be issued at a discount contrary to the Act.
- (c) In the foregoing paragraphs of this Article references to allotment of shares shall include references to the grant of any right to subscribe for, or to convert any security into, shares.

- (d) Where authority has been given to the directors as referred to in this Article to grant a right to subscribe for, or to convert any security into, shares the directors may without further authority allot such shares as may require to be allotted pursuant to the exercise of such right.
- (e) Section 89(1) of the Act is hereby excluded.

Variation of rights

- 5. The rights attached to any existing shares shall not (unless otherwise expressly provided by the terms of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking pari passu therewith or subsequent thereto.

Share certificates

- 6. In Regulation 6 in Table A there shall be inserted after the word "seal" the following words, namely: "or the official seal of the company if the Company has a seal, or otherwise executed in such manner as may be permitted by the Act".

Lien

- 7. The company shall have a first and paramount lien on all the shares registered in the name of any member (whether solely or jointly with others) for all moneys due to the company from him or his estate, whether solely or jointly with any other person (whether a member or not) and whether such moneys are presently payable or not. The company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The directors may at any time resolve that any share shall be exempt, wholly or partly, from the provisions of this Article.

Calls on shares

- 8. The directors may accept from any member the whole or any part of the amount remaining unpaid on any share held by him notwithstanding that no part of that amount has been called up.

Transfer of shares

- 9. No transfer of any share may be registered without the approval of a member or members holding a majority in nominal value of the issued shares for the time being conferring the right to vote at general meetings of the company, and the directors shall be bound to approve a transfer which has such approval.

Transmission of shares

- 10. There shall be inserted at the end of Regulation 31 in Table A the following proviso, namely: "provided always that the directors may at any time give notice requiring any such person to elect either to become or to have another person registered as the holder of the share and if the requirements of the notice are not complied with within ninety days the directors may

thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with".

Proceedings at general meetings

11. In paragraph (b) of Regulation 38 in Table A there shall be inserted after the words: "giving that right", the following words, namely: "(or such lesser percentage as may be permitted by the Act and agreed by the members)".
- 11A⁶. In Regulation 40 in Table A the following words shall be added to the end of the second sentence, namely: "except where the company is a private company limited by shares or by guarantee and having one member or if, having more than one member, then having only one member entitled to vote upon the business to be transacted at the meeting, in which case the quorum shall be one, being the member or proxy for the member or duly authorised representative of a corporation".
12. In Regulation 41 in Table A there shall be inserted after the words "the directors may determine" the following words, namely: "and if at the adjourned meeting such a quorum is not present within half an hour from the time appointed for the meeting, one member present in person or by proxy or (being a corporation) by its duly authorised representative shall be a quorum".
13. A poll may be demanded by any member present in person or by proxy or (being a corporation) by its duly authorised representative. Regulation 46 in Table A shall be construed accordingly.
14. A resolution in writing of all the members who would have been entitled to vote upon it if it had been proposed at a general meeting at which they were present shall be as effectual as if it had been passed at a general meeting duly convened and held either:
 - (a) if it consists of an instrument executed by or on behalf of each such member; or
 - (b) if it consists of several instruments in the like form each either
 - (i) executed by or on behalf of one or more of such members; or
 - (ii) sent by or on behalf of one or more of such members by telex or facsimile transmission and deposited or received at the office or received by the secretary.

Votes of members

15. Subject to any rights or restrictions as to voting attached to any shares by the terms on which they were issued or by or in accordance with the articles or otherwise, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by its duly authorised representative not being himself a member entitled to vote, shall have one vote, and on a poll every member who is present in person or by proxy or (being a corporation) is present by its duly authorised representative shall have one vote for every share of which he is the holder.

⁶ Clause 11A was adopted by Special Resolution passed on 29 August 1996.

16. The instrument appointing a proxy shall be in writing in any usual or common form and shall (except in the case of an appointment by telex or a facsimile transmission of an appointment otherwise complying with the requirements of this Article) be executed by the appointor or his attorney duly authorised in writing or in such other form as the directors may approve. A proxy need not be a member of the company.
17. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is executed, or a notarially certified copy of such power or authority, shall be deposited or received at the office (or at such other place in the United Kingdom as is specified for that purpose in any instrument of proxy sent by the company in relation to the meeting) not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or handed to the chairman of the meeting or adjourned meeting, and, in default, the instrument of proxy shall be invalid.

Alternate directors

18. (a) A director may by written notice signed by him (except in the case of an appointment by telex or a facsimile transmission of an appointment otherwise complying with the requirements of this Article) and deposited or received at the office or received by the secretary or in such other manner as the directors may approve appoint another director or any other person to be and act as his alternate director.
- (b) Every alternate director shall (subject to his giving to the company an address within the United Kingdom at which notices may be given to him) be entitled to notice of meetings of the directors or of committees of directors, and to attend and vote as a director at any such meeting at which the director appointing him is entitled to attend and vote but is not personally present and generally at such meeting to exercise all the powers, rights, duties and authorities of the director appointing him. Every alternate director shall also be entitled to sign or, in the case of a telex or facsimile transmission, send on behalf of the director appointing him a resolution in writing of the directors pursuant to Article 27.
- (c) An alternate director shall neither be an officer of the company nor entitled to any remuneration from the company for acting as an alternate director.
- (d) A director may by written notice signed by him or sent by him by telex or facsimile transmission and deposited or received at the office or received by the secretary or in such other manner as the directors may approve at any time revoke the appointment of an alternate director appointed by him.
- (e) If a director shall cease to hold the office of director for any reason, the appointment of his alternate director shall thereupon automatically cease.

Delegation of directors' powers

19. The following words shall be added at the end of the first sentence of Regulation 72 in Table A, namely: "and may also appoint to any such committee persons who are not directors provided that the chairman and a majority of such committee shall be directors".

Retirement, appointment and removal of directors

20. (a) A member or members holding a majority in nominal value of the issued shares for the time being conferring the right to vote at general meetings of the company shall have power from time to time and at any time to appoint any person or persons as a director or directors and to remove from office any director howsoever appointed. Any such appointment or removal shall be effected by an instrument which shall be in writing and shall (except in the case of an appointment or removal by telex or a facsimile copy of an appointment or removal otherwise complying with the requirements of this Article) be executed by the member or members making the same or by their duly authorised attorneys or in such other manner as the directors may approve, and shall take effect upon such appointment or removal being deposited or received at the office or otherwise communicated to the company at the office or being handed or otherwise communicated to the chairman of a meeting of the directors at which a quorum is present.
- (b) Without prejudice to paragraph (a) of this Article the company may by ordinary resolution appoint any person to be a director either to fill a vacancy or as an additional director.

Disqualification and removal of directors

21. In Regulation 81 in Table A:
- (a) there shall be inserted after the word "company" in paragraph (d) the following words, namely: ", provided that such action shall be without prejudice to the terms of and to any rights of the company under any contract between the director and the company"; and
- (b) paragraph (e) shall be deleted.

Remuneration of directors

22. The following sentence shall be added at the end of Regulation 82 in Table A, namely: "Any director who serves on any committee, or who devotes special attention to the business of the company, or who otherwise performs services which in the opinion of the directors are in addition to or outside the scope of the ordinary duties of a director (which services shall include, without limitation, visiting or residing abroad in connection with the company's affairs), may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the directors may determine".

Directors' appointments and interests

23. In Regulation 84 in Table A there shall be substituted for the words "shall not be subject to retirement by rotation" the following words, namely: "shall be subject to the same provisions as to resignation and removal as other directors of the company".

Directors' and employees' gratuities and pensions

24. The directors may:

- (a) establish and maintain, or procure the establishment and maintenance of, any share option or share incentive or profit sharing schemes or trusts or any noncontributory or contributory pension or superannuation schemes or funds for the benefit of, and may make or give or procure the making or giving of loans, donations, gratuities, pensions, allowances or emoluments (whether in money or money's worth) to, or to trustees on behalf of, any persons who are or were at any time in the employment or service of the company, or of any company which is a subsidiary of the company, or is allied to or associated with the company or with any such subsidiary, or who are or were at any time directors or officers of the company or of any such other company as aforesaid, and to the wives, husbands, widows, widowers, families and dependants of any such persons;
- (b) establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of the company, or of any such other company as aforesaid, or of any such persons as aforesaid;
- (c) make payments for or towards policies of assurance on the lives of any such persons and policies of insurance for the benefit of or in respect of any such persons (including insurance against their negligence or breach of duty to the company) as aforesaid;
- (d) pay, subscribe or guarantee money to or for any charitable or benevolent objects, or for any exhibition, or for any political, public, general or useful object; and
- (e) do any of the above things either alone or in conjunction with any such other company as aforesaid.

Subject always, if the Act shall so require, to particulars with respect to the proposed payment being disclosed to the members of the company and to the payment being approved by the company, any director shall be entitled to participate in and retain for his own benefit any such loan, donation, gratuity, pension, allowance or emolument.

Proceedings of directors

25. In Regulation 88 in Table A there shall be substituted for the third sentence the following sentences, namely: "Every director shall be given not less than 48 hours notice of every meeting of the directors, such notice to be sent to such address as is notified by him to the company for this purpose or otherwise communicated to him personally. Any director may by notice to the company either before or after the meeting waive his right to receive notice of the meeting and any director who either:

- (a) is present at the commencement of a meeting whether personally or by his alternate director; or
- (b) does not, within 7 days following its coming to his attention that a meeting has taken place without prior notice of such meeting having been given to him pursuant to this Regulation, notify the company that he desires the proceedings at such meeting to be regarded as a nullity,

shall be deemed hereafter to have waived his right to receive notice of such meeting pursuant to this Regulation".

26. The following sentence shall be substituted for the final sentence of Regulation 89 in Table A, namely: "For the purpose of determining whether a quorum exists for the transaction of the business of the board of directors:
- (a) in the case of a resolution of directors, who would (if attending a meeting) comprise a quorum, who are in telephonic communication with one another, any such resolution shall be as valid and effectual as if passed at a meeting of the board of directors duly convened and held;
 - (b) in the case of a meeting of the board of directors, in addition to the directors present at the meeting, any director in telephonic communication with such meeting shall be counted in the quorum and entitled to vote; and
 - (c) any person attending a meeting of the board, or in telephonic communication with such a meeting, who is acting as an alternate director for one or more directors shall be counted as one for each of the directors for whom he is so acting and, if he is a director, shall also be counted as a director, but not less than two individuals, whether both present at the meeting or in telephonic communication with each other, can be a quorum".
27. A resolution in writing of all the directors or all the members of a committee of directors shall be as effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held either:
- (a) if it consists of an instrument executed by or on behalf of each such director or committee member; or
 - (b) if it consists of several instruments in the like form each either:
 - (i) executed by or on behalf of one or more of such directors or committee members; or
 - (ii) sent by or on behalf of one or more of such directors or committee members by telex or facsimile transmission and deposited or received at the office or received by the secretary.
28. Subject to any requisite declaration of interest in accordance with the provisions of the Act and (if applicable) Regulation 85 in Table A having been made by him a director may vote as a director in regard to any transaction or arrangement in which he is interested, or upon any matter arising therefrom and Regulation 94 in Table A shall be construed subject to this provision.
29. In Regulation 97 in Table A:
- (a) there shall be inserted after the words "the appointment" the following words, namely: "or the terms of appointment"; and
 - (b) the following words shall be deleted, namely: "and be counted in the quorum" and there shall be inserted after the words "his own appointment" the following words, namely: "and shall be counted in the quorum in respect of each resolution including that concerning his own appointment, and Regulation 95 shall be construed subject to this provision."

Minutes

30. The directors shall cause minutes to be made in books kept for the purpose:
- (a) of all appointments of officers and alternate directors made by the directors; and
 - (b) of all proceedings at meetings of the company, of the holders of any class of shares in the company, of the directors, and of committees of directors, including the names of the persons present at each such meeting.

The seal

31. In Regulation 101 of Table A, there shall be substituted for the first sentence the following sentence, namely: "The company need not have a seal but if the company does have a seal, the seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors".
32. The company is authorised pursuant to Section 39 of the Act for so long as its objects require or comprise the transaction of business in foreign countries to have an official seal for use in any territory, district, or place elsewhere than in the United Kingdom.

Notices

33. In Regulation 112 of Table A, the final sentence shall be deleted and the following words shall be inserted at the end of the first sentence, namely: "or by sending it by telex or facsimile transmission to such telex or facsimile number as the member shall have given to the company for the purpose".
34. In Regulation 115 of Table A, there shall be inserted:
- (a) after the words: "prepaid and posted", the following words, namely: "or that a notice was properly sent by telex or facsimile transmission"; and
 - (b) after the words: "prepaid and posted" the following words, namely: "or after the time at which it was sent by telex or facsimile transmission".

Indemnity

35. Subject to the provisions of the Act, every director, other officer or auditor of the company or person acting as an alternate director shall be entitled to be indemnified out of the assets of the company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of his duties to the company or otherwise in relation thereto.

NAMES ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

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Dated 2 February 1996

WITNESS to the above signatures,

J Broadbent

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