

22 - 05 - 97

No: 3319967

The Companies Act 1985

Company limited by shares

Written Resolutions

of

Simon Brooke & Partners Limited

(passed on 2 May 1997)



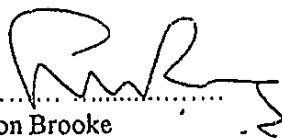
We the undersigned being all the members of the company resolve as follows:

1. **That:**

- (a) the draft main objects clause contained in the printed document submitted to the meeting and for the purposes of identification signed by Simon Brooke and Zbigniew Zwierzewicz be and it is approved and adopted in substitution for and to the exclusion of the existing clause 3(a) of the memorandum of association of the company;
- (b) the draft regulations contained in the printed document signed by Simon Brooke and Zbigniew Zwierzewicz as all the members of the company be and they are approved and adopted as the articles of association of the company in substitution for and to the exclusion of the existing articles of association of the company;
- (c) that each of the 2,000 current authorised and issued ordinary shares of £1 each in the capital of the company be and is converted into a cumulative redeemable preference share of £1 each in the capital of the company;
- (d) the authorised share capital of the company be and it is increased by £59,000 to £61,000 by the creation of 1,000 ordinary shares of £1 each and an additional 58,000 redeemable preference shares of £1 each in the capital of the company; and
- (e) the directors be and they are generally and unconditionally authorised for the purposes of Section 80, Companies Act 1985 to allot, or to grant any right to subscribe for or to convert any

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security into, shares in the company up to a maximum nominal amount of £61,000 at any time or times during the period from the date of the passing of this resolution up to and including 2 May 2002 on which date this authority shall expire and this authority shall allow the company to make an offer or agreement before the expiry of the authority which would or might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after the expiry of the authority.


.....
Simon Brooke


.....
Zbigniew Zwierzewicz

22-05-97

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Articles of Association

Simon Brooke & Partners Limited

2 May 1997

SRFV397293-DLN-001432

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No: 3319967

The Companies Act 1985

Private company limited by shares

Articles of Association

of

Simon Brooke & Partners Limited

(as adopted by Special Resolution passed on 2 May 1997)

1. **Preliminary**
- 1.1 Except as otherwise provided in these Articles, the regulations contained or incorporated in Table A shall apply to the Company.
- 1.2 These Articles and the regulations incorporated in them shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company.
- 1.3 In these Articles, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"Accounts" the audited profit and loss account of the Company or, if at the relevant time the Company has any subsidiary undertaking(s), a consolidation of the audited profit and loss accounts of the Company and its subsidiary undertaking(s), for each financial year;

"Act" the Companies Act 1985;

"Approved Offer" an offer in writing for all the shares in the Company on equal terms as if the shares were one class and which:

- (a) is stipulated to be open for acceptance for at least 21 days;
- (b) includes an undertaking by the offeror that neither it nor persons

acting by agreement or understanding with it have entered into or have agreed more favourable terms with any other member for the purchase of shares;

- (c) includes an offer to procure repayment of all Preference Shares outstanding at their subscription price;
- (d) provides for all arrears of dividend to be paid; and
- (e) has been approved by the Investor;

"Board"

the board of Directors of the Company;

"Controlling Interest"

an interest (within the meaning of Schedule 13, Part 1 and Section 324 of the Act) in shares conferring in aggregate 50% or more of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue;

"Directors"

the Directors for the time being of the Company;

"dividend date"

as defined in Article 3.1(c)(i);

"Due Proportion"

in the same proportion, as nearly as may be, as the nominal amount of a Shareholder's existing holding of a class of Shares bears to the total nominal amount of such class of Shares in issue;

"Employee Shareholder"

a Shareholder who at the date of adoption of these Articles or subsequently is employed by the Company or any of its subsidiaries;

"Fair Price"

the price which the auditors of the Company state in writing to be in their opinion the fair value of the shares concerned on a sale as between a willing seller and a willing purchaser. In

determining such fair value the auditors shall be instructed in particular:

- (a) to have regard to the rights and restrictions attached to the shares in respect of income and capital;
- (b) to disregard whether or not the shares represent a minority interest;
- (c) to take no account of whether the shares do or do not carry control of the Company;
- (d) if the Company is then carrying on business as a going concern, to assume that it will continue to do so;
- (e) in stating the Fair Price the auditors (whose charges shall be borne by the Company) shall be considered to be acting as experts and not as arbitrators and their decision shall be final and binding on the parties;

"Group" the Company and the Subsidiaries and **"Group Company"** means any of them;

"Institutional Consent" the written approval of the Investor Directors (which shall be deemed given if they give approval at a meeting of the Board);

"the Investor" the partnership of Solomon Hare;

"the Investor Directors" the Directors appointed under Article 16.1;

"the Investor Shares" the Preference and Ordinary Shares held by the Investor from time to time ;

"Leaver" as defined in Article 10.1;

"Leaver's Shares" in relation to a Leaver, any Shares transferred or issued to that Leaver and subsequently transferred by him;

"Listing"	the admission of any part of the equity share capital of the Company to the Official List of the London Stock Exchange or the grant of permission by the London Stock Exchange Limited to deal in any of the Company's shares on the Alternative Investment Market of the London Stock Exchange or on any other recognised investment exchange (as defined by Section 207, Financial Services Act 1986) and such permission becoming effective;
"Maximum"	as defined in Article 7.3;
"Net Profits"	the profit on ordinary activities net of 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 but adjusted by: (a) adding back any payment or provision which has been made for any dividend on any share capital of the Company or any of its Subsidiaries; the transfer of any sum to reserve and any amortisation of goodwill; and (b) disregarding extraordinary items;
"Ordinary Shares"	the ordinary shares of £1 each in the capital of the Company;
"Preference Shares "	the cumulative convertible redeemable preference shares of £1 each in the capital of the Company;
"Purchaser"	a person who expresses a willingness to purchase Offered Shares as defined in Article 7.2;
"Relevant dividend"	as defined in Article 5.1(c)(iii);
"Sale"	the sale of the whole or substantially the

	whole of the undertaking of the Company or a subsidiary of the Company or more than 75% of the equity share capital of the company or a subsidiary of the Company;
"Shareholder"	a holder for the time being of shares in the capital of the Company;
"Shares"	the issued shares in the capital of the Company from time to time;
"Shareholders' Agreement"	the shareholders agreement entered into on the same date as these Articles between Solomon Hare (1), Simon Brookes and Others (2) and the Company (3);
"Specified Events"	a transfer of a Controlling Interest, a Listing a Sale, or one or all of the following; winding up, liquidation, striking off of the Company and/or any act of the Company or its Shareholder Director(s) which in the opinion of the Investor, bring the Company into dispute;
"Specified Price"	as defined in Article 7.2;
"Subsidiary"	a subsidiary undertaking for the purposes of the Act and "Subsidiaries" shall be construed accordingly;
"Supplemental Deed"	a deed supplemental to the Shareholders' Agreement substantially in the form set out in the Shareholders' Agreement;
"Table A"	Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended);
"Transfer Notice"	as defined in Article 7.1; and
"Wholly-owned Group"	a body corporate and any holding company of which it is a wholly-owned subsidiary and any other wholly-owned subsidiaries of that holding company (including any wholly-owned subsidiary of the body corporate).

1.4 References in these Articles to:

- (a) "employees" shall be deemed to include consultants and Directors (other than the Investor Directors) and contracts of, commencement or cessation of, employment shall include contracts for, commencement or cessation of, consultancy or Directorship; and
- (b) a "share" shall include any interests in shares referred to in Section 209(1)(a) and (e) and 209(10)(c) of the Act.

1.5 The headings to these Articles do not affect the construction of these Articles;

1.6 A person shall be deemed to be connected with another if that person is connected with another within the meaning of Section 839, Income and Corporation Taxes Act 1988.

2. **Authorised share capital**

The authorised share capital of the Company at the date of adoption of these Articles is £61,000 divided into 1,000 Ordinary Shares and 60,000 Preference Shares

3. **Rights attaching to shares**

3.1 ***Income***

(a) ***Preference Shares***

The holders of Preference Shares shall be entitled to receive, in priority to the holders of any other class of shares, a fixed cumulative preferential net cash dividend ("the **Preference Dividend**") of 6% per annum on each share, such dividend to accrue day to day from the date of subscription for the Preference Shares and to be payable on the first accounting reference date of the Company and half yearly thereafter, the first such payment to be made on 30 September 1997.

(b) ***Further distributions***

The balance of any profits resolved by the Board to be distributed in any financial year or period shall be distributed amongst the holders of the Ordinary Shares pro rata according to the amount for the time being paid up on them ("**Ordinary Dividend**").

(c) *Declaration and payment of dividends*

- (i) Subject to the provisions of paragraph (iii) below, every sum which shall become payable by the Company on any due date ("dividend date") in respect of the Preference Shares and the Ordinary Shares in accordance with the foregoing provisions of this Article 3 shall on that dividend date ipso facto and without any resolution of the Directors or of the Company in general meeting and notwithstanding anything provided in Regulations 102 to 105 (inclusive) of Table A become a debt due from the Company and immediately payable.
- (ii) The Company shall procure that each of its Subsidiaries, (if any) shall from time to time declare and pay to the Company (or, as the case may be, the relevant Group Company that is its immediate holding company or parent undertaking) such dividends as are necessary to permit lawful and prompt payment by the Company of the Preference and Ordinary Dividends.
- (iii) In the event, whether by reason of any principle of law or otherwise, the Company is unable to pay in full on a dividend date any Preference or Ordinary Dividend which would otherwise be required to be paid pursuant to the foregoing provisions of this Article on that dividend date ("the relevant dividend"), then:
 - (A) on the dividend date the Company shall pay the maximum sum (if any) which can then consistently with any such principle of law or other restrictive circumstance be properly paid by the Company first, in or towards paying off all arrears of Preference Dividend;
 - (B) on every succeeding dividend date the Company shall pay to such holders and in such order on account of the balance of the relevant dividend for the time being remaining outstanding (until the relevant dividend shall have been paid in full) the maximum sum (if any) on each such succeeding dividend date respectively which can, consistent with any such principle law or circumstance still prevailing, be properly paid by the Company; and
 - (C) interest shall accrue from day to day on the amount of the relevant dividend unpaid (plus the

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associated tax credit) at the rate of 4% per annum above the base lending rate of Barclays Bank plc from time to time and shall become due (as a charge against the Company) and be paid at the same time as the amount to which it relates is paid or, if any such amount remains outstanding on 30 June or 31 December in any year, on such half-yearly dates to the extent accrued at that time.

3.2 *Capital*

On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares), the assets of the Company available for distribution amongst Shareholders after payment of its liabilities shall be applied in the following manner and order of priority:

- (a) first, in paying to the holders of the Preference Shares £1 per share together with a sum equal to all unpaid arrears and accruals of the Preference Dividend calculated down to the date of the return of capital on the Preference Shares;
- (b) second, in paying to the holders of the Ordinary Shares £1 per share; and
- (c) finally, in paying the balance to the holders of the Preference and Ordinary Shares as if they constituted one class.

3.3 *Redemption*

- (a) Subject to the provisions of the Act, the Company shall redeem the following number of Preference Shares on the following dates:

<i>Date</i>	<i>No. of Preference Shares</i>
1 May 1998	12,500
1 May 1999	12,500
1 May 2000	15,000
1 May 2001	20,000

- (b) Subject to the provisions of the Act, on the date upon which a Specified Event occurs all of the Preference Shares shall (unless the Investor gives notice in writing to the Company to the contrary) be redeemed immediately.

- (c) On the cessation of Simon Brooke's employment by the Company for whatever reason the Preference Shares owned by the Investor shall be redeemed immediately. The due date for a redemption under this Article 3.3 (c) shall be the date of the termination of Simon Brooke's employment.
- (d) Subject to receipt of the relevant share certificates or an indemnity in respect of them in a form reasonably satisfactory to the Company, on the dates fixed for any redemption the Company shall pay to the holder of each Preference Share then to be redeemed:
 - (i) £1 per share; and
 - (ii) all arrears and accruals of Preference Dividend payable on it (whether earned or declared or not) calculated to and including the date fixed for redemption which shall become a debt due and payable by the Company to the holder.
- (e) If any certificate so delivered to the Company includes any Preference Shares not falling to be redeemed on the relevant redemption date a fresh certificate for the Preferences Shares not so redeemed shall be issued to the Shareholder concerned.
- (f) If there is more than one holder of Preference Shares, the number of each holder's Preference Shares to be redeemed on each occasion on which Preference Shares are redeemed shall be such number (as nearly as may be) as shall bear the same proportion to the total number of Preference Shares to be redeemed on each such occasion as that proportion which each such holder's entire holding of Preference Shares bears to the total number of Preference Shares then in issue.
- (g) If the Company is unable at any time to redeem in accordance with the Act the number of Preference Shares then due to be redeemed pursuant to this Article, the Company shall:
 - (i) redeem on the date fixed for redemption such number of Preference Shares as it is then able to redeem in accordance with the Act and shall redeem the balance as soon as it is able to do so; and
 - (ii) interest shall accrue from day to day on the redemption monies then due and payable in accordance with Article 3.3(d) at a rate of 4% per annum above the base lending rate of Barclays Bank plc from time to time and shall become due (as a charge against the Company) and be paid at the same time as the amount to which it relates is

paid or, if any such amount remains outstanding on 30 September or 31 March in any year, on such half-yearly dates to the extent accrued at that time.

- (h) Should the Company be unable to redeem the Preference Shares within 2 years of the date specified in Article 3.3(a) those Preference Shares shall only be redeemable at the option of the holder of those Preference Shares.

3.4 *Voting*

(a) *Preference Shares*

The holders of the Preference Shares shall be entitled to receive notice of and to attend either in person or by proxy at any general meeting of the Company but shall not be entitled to vote at it (either personally or by proxy) unless at the date when the notice convening such general meeting is sent to the Shareholders:

- (i) any Preference Shares due to be redeemed pursuant to Article 3.3 are not redeemed within 30 days of the due date;
- (ii) the business of the meeting includes a resolution directly and adversely affecting, altering or abrogating the rights, privileges or restrictions attached to the Preference Shares; or
- (iii) a breach of the undertakings contained in the Shareholders' Agreement has occurred

in which event each holder of Preference Shares present in person or by proxy or representative shall be entitled to one vote on a show of hands and on a poll to such number of votes for each Preference Share held by him.

(b) *Ordinary Shares*

The holders of the Ordinary Shares shall have the right to receive notice of and attend and vote at any general meeting of the Company. Each such holder present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll to one vote for each Ordinary Share held by him.

4. **Variation of class rights**

4.1 Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied, modified, abrogated or cancelled only with Investor consent.

4.2 Without prejudice to the generality of this Article 4, the special rights attached to the Preference Shares and the Ordinary Shares shall be deemed to be varied by:

- (a) the creation, allotment or issue of any shares or securities by the Company or the grant of any option or other right to require the allotment or issue of them or the modification, variation, alteration or abrogation of the rights attached to any of the classes of share capital of the Company or the consolidation or sub-division or other re-organisation of the Company's share capital or any part of it; or
- (b) the passing of any resolution amending the Company's memorandum or articles of association; or
- (c) the purchase, redemption or any distribution of capital profits or reserves of the Company in respect of any Shares otherwise than in accordance with the provisions of these Articles; or
- (d) the passing of any resolution to wind up the Company otherwise than by reason of insolvency.

5. **Redemption and purchase of shares**

Subject to the provisions of Part V of the Act and to the rights of the holders of the respective classes of shares of the Company, the Company may:

- (a) issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Shareholder concerned;
- (b) purchase its own shares (including any redeemable shares); and
- (c) make a payment in respect of the redemption or purchase under Section 159 or 160 or (as the case may be) Section 162 of the Act and the relevant power under (a) or (b) above, of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by Section 171 and Section 172 of the Act.

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6. **Lien**

The lien conferred by Regulation 8 of Table A shall attach also to fully paid-up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company.

7. **Pre-emption procedure**

7.1 Except as provided in Articles 10 or 11 no member, or person entitled to shares in the Company by transmission, shall be entitled to transfer his shares without first offering them for transfer to the holders of the other shares in the Company whether or not of the same class, unless a third party purchaser is willing to purchase all of the issued shares of the Company on the same terms. The offer may be in respect of all or part only of the shares held by the proposing transferor and shall be made by the proposing transferor by notice in writing to the Company ("a Transfer Notice").

7.2 The Transfer Notice shall specify the shares offered ("the Offered Shares") and the price at which they are offered ("the Specified Price"). The Transfer Notice shall constitute the Directors as the agent of the proposing transferor for the sale of the Offered Shares to other holders of shares whether or not of the same class, at the Specified Price. The Transfer Notice may contain a provision that, unless all the Offered Shares are sold under this Article, none shall be sold and that provision shall have effect. The Transfer Notice may not be revoked unless the Directors otherwise agree.

7.3 On receipt by the Company of the Transfer Notice the Directors shall as soon as practicable give notice to all the holders of shares (other than the proposing transferor) of the number and description of the Offered Shares and the Specified Price. The notice shall invite each of the members to state in writing to the Company within 30 days whether he is willing to purchase any, and if so what maximum number ("Maximum"), of the Offered Shares. The Directors shall at the same time give a copy of the notice to the proposing transferor.

7.4 On the expiration of the 30 day period the Directors shall allocate the Offered Shares to or amongst the Purchasers and such allocation shall be made so far as practicable as follows:

- (a) if the Offered Shares are Preference Shares they shall be allocated in the following order amongst Purchasers:

- (i) firstly to Preference Shareholders; and
 - (ii) secondly to Ordinary Shareholders;
 - (b) if the Offered Shares are Ordinary Shares they shall be allocated in the following order amongst Purchasers:
 - (i) firstly to Ordinary Shareholders; and
 - (ii) secondly to Preference Shareholders;
 - (c) each allocation between the holders of any class shall in the case of competition be made pro rata to the nominal amount of shares of that class held by him but shall not exceed the Maximum which such holder shall have expressed a willingness to purchase;
 - (d) Offered Shares shall only be allocated to Purchasers who are the holders of a class of shares different from the Offered Shares to the extent that any remain unallocated after satisfaction of the Maximum of holders of the class(es) of shares entitled to a prior allocation; and
 - (e) if the Transfer Notice shall state that the proposing transferor is not willing to transfer part only of the Offered Shares, no allocation will be made unless all the Offered Shares are allocated.
- 7.5 On the allocation being made the Directors shall give details of the allocation in writing to the proposing transferor and each Purchaser and, on the seventh day after such details are given, the Purchasers to whom the allocation has been made shall be bound to pay the purchase price for, and to accept a transfer of, the Offered Shares allocated to them respectively and the proposing transferor shall be bound, on payment of the purchaser price, to transfer the Offered Shares to the respective Purchasers to whom the allocation has been made.
- 7.6 If the proposing transferor after becoming bound to transfer Offered Shares fails to do so, the Company may receive the purchase price and the Directors may appoint a person to execute instruments of transfer of the Offered Shares in favour of the Purchasers to whom the allocation has been made and shall cause the names of those Purchasers to be entered in the register of members of the Company as the holders of the Offered Shares and shall hold the purchase price in trust for the proposing transferor. The receipt of the Company shall be a good discharge to those Purchasers and, after their names have been entered in the Register of Members of the Company under this provision, the validity of the transactions shall not be questioned by any person.

7.7 If, following the expiry of the 30 day period referred to in Article 7.4, any of the Offered Shares have not been allocated under that Article, the proposing transferor may (subject to the provisions of Article 10) at any time within a period of 90 days after the expiry of the 30 day period transfer the Offered Shares not allocated to any person and at any price (being not less than the Specified Price) provided that:

- (a) if the Transfer Notice contained a provision that, unless the Offered Shares are sold under this Article, none shall be sold, he shall not be entitled to transfer any of the Offered Shares unless in aggregate all the Offered Shares are so transferred; and
- (b) the Directors may require to be satisfied that those shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to the Purchaser and, if not so satisfied, may refuse to register the instrument of transfer (without prejudice, however, to the Directors' absolute discretion to refuse to approve or register any transfer of shares in the circumstances described in Article 11).

8. Deceased and bankrupt shareholder provisions

8.1 Regulations 29, 30 and 31 of Table A shall be applied subject to the provisions of Article 8.2 below and of Article 11.

8.2 A person entitled to a share in consequence of the bankruptcy of a member shall be bound at any time, if and when required in writing by the Board so to do, to give a Transfer Notice in respect of such share, and if such person fails to give a Transfer Notice, he shall be deemed to have served the Company with a Transfer Notice in respect of that share. The provisions of Article 7 shall apply to the share and the Transfer Notice; the Transfer Notice (if not actually given) shall be deemed to have been received by the Company on the date on which the Directors required the Transfer Notice to be given and the Specified Price shall be the Fair Price as at the date on which the Transfer Notice is either actually given or deemed to have been received by the Company and the Directors shall give notice under Article 7.3 as soon as the Specified Price is ascertained.

9. Registration of transfers

9.1 The Directors shall refuse to register a proposed transfer not made under or permitted by Articles 7, 8, 9, 10 or 11.

9.2 The Directors may also refuse to register a transfer of a share on which the Company has a lien.

9.3 A person executing an instrument of transfer of a share is deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect of it.

9.4 The Directors shall (unless he is already a party to the Shareholders' Agreement or the transfer is pursuant to an Approved Offer) refuse to register an allottee or transferee of shares or a person entitled to shares by transmission until he has executed (in a form satisfactory to the Investor Directors) an undertaking under seal to those persons who are parties to or who have agreed to adhere to the Shareholders' Agreement whereby such allottee or transferee undertakes to adhere to and be bound by the provisions of the Shareholders' Agreement as if such allottee or transferee were an original party thereto and an original copy of such undertaking has been delivered to the Company.

9.5 The first sentence of Regulation 24 of Table A shall not apply.

10. Compulsory transfers

10.1 If any person other than an Investor Director, who at the date of adoption of these Articles, or subsequently, is employed by the Company or any Subsidiary, shall cease to be so employed for whatever reason (including death or a Subsidiary of the Company ceasing to be a Subsidiary of the Company) ("a Leaver") then, unless the Board shall within 90 days of such cessation otherwise resolve, the Leaver shall, in respect of all of his shares, and each person holding any Leaver's Shares shall, in respect of those Leaver's Shares, be deemed to have served a Transfer Notice in accordance with Article 7.1.

10.2 On a transfer under this Article the price per share shall be determined as follows:

- (a) if the Leaver ceases to be employed as a result of a Subsidiary of the Company ceasing to be a Subsidiary of the Company, wrongful dismissal, death, incapacity or on retirement at normal retirement age, the price shall be the Fair Price;
- (b) if the Leaver ceases to be employed for a reason not within the circumstances described in paragraph (a), the price shall be the lower of £1 and the Fair Price.

Fair Price shall be calculated as at the date the relevant person became a Leaver. If, in any particular case, the Board so decides, there shall be substituted for the price specified in paragraph (a) and (b) such price as the Board may agree with the transferor(s).

10.3 The preceding provisions of this Article may at any time be waived in whole or part by the Board.

11. Limitation on transfer of control

- 11.1 No sale or transfer of any interest in any shares conferring a right to vote at general meetings of the Company which would result, if made and registered, in a person (or one or more persons as part of a single transaction or otherwise acting by agreement or understanding) or connected persons of that persons obtaining a Controlling Interest in the Company shall be made or registered unless an Approved Offer is made.
- 11.2 Any transfer of shares pursuant to an Approved Offer shall not be subject to the restrictions on transfer contained in these Articles.
- 11.3 If any member fails to accept an Approved Offer in accordance with its terms by the first closing date of that Approved Offer and the holders of more than 75% of the Ordinary Shares in issue at the time have accepted the Board or the Investor Directors may authorise some person to execute any forms of acceptance on behalf of the member in relation to the Approved Offer and/or transfers in favour of the relevant offer or (or as he may nominate) pursuant to the acceptance of the Approved Offer and the consideration may be received by the Company on behalf of that member. Upon the Company receiving such consideration and transfer (duly stamped) the offeror or its nominee shall be entered in the Register of Members of the Company. The certificate(s) in respect of any shares so transferred, in the name of the original member, shall be deemed to be cancelled and a new certificate shall be issued in the name of the offeror or its nominee. The receipt of the Company for the consideration shall be a good discharge to the offeror who shall not be bound to see to the application of it, and after such registration in exercise of the above powers the validity of the proceedings shall not be questioned by any such person. The Company shall hold the said consideration on behalf of any such member in a separate bank account on trust for the relevant member pending delivery up of the cancelled certificate(s).
- 11.4 The Directors with the consent of all Directors in writing may disclose any information relating to the Company to a third party considering making an Approved Offer or its representatives or advisers subject to obtaining an appropriate commitment as to confidentiality and bona fides.

12. General meetings

- 12.1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the Chairman or by any Shareholder present in person or by proxy. Unless a poll be so demanded a declaration by the Chairman that a resolution has

on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the Minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.

- 12.2 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a second or casting vote.

13. **Written resolutions**

A resolution in writing signed by or on behalf of all the Shareholders for the time being entitled to vote shall be as effectual as if it had been passed at a general meeting of the Company duly convened and held, and may consist of several documents in the like form each signed by one or more Shareholder. In the case of a corporation the resolution may be signed on its behalf by a Director of it or by its duly appointed or duly authorised representative. Regulation 53 of Table A shall not apply.

14. **Votes of members**

A proxy appointed by a member of the Company under Section 372 of the Act may vote on a show of hands as well as on a poll, but no person present shall be entitled to more than one vote on a show of hands. Regulation 54 of Table A shall be amended accordingly.

15. **Directors**

- 15.1 The number of Directors (other than alternate Directors) shall not be less than 2 nor more than 8. Regulation 64 of Table A shall not apply.
- 15.2 The Directors shall not be subject to retirement by rotation and Regulations 73 to 75 (inclusive) and the last sentence of Regulation 84 of Table A shall not apply and Regulations 76 to 79 (inclusive) shall be amended accordingly.
- 15.3 The quorum necessary for the transaction of business of the Directors at a board meeting shall be 2 at least one of whom shall be one of the Investor Directors, if at the time of the Meeting the Investor Director has been appointed.
- 15.4 In the event of a quorum not being present or ceasing to be present, the meeting shall be adjourned to the same day in the next week at the same time and place and, provided that at least one of the Investor Directors

are present at such adjourned meeting, such Directors as may be present at such adjourned meeting shall constitute a quorum.

- 15.5 Any Director able to participate in the proceedings of a meeting by means of a communication device (including, without limitation, a telephone) which allows all the other Directors present at such meeting (whether in person or by proxy or by means of such type of communication device) to hear at all times such Director and such Director to hear at all times all other Directors present at such meeting (whether in person or by proxy or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.
- 15.6 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit provided that all meetings of the Directors shall be held within the United Kingdom. A Director may, and the secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Unless a majority of the Directors such a majority to include an Investor Director or his duly appointed alternate present in the United Kingdom shall agree to the holding of a meeting by shorter notice, at least 72 hours' notice of every meeting of Directors shall be given either in writing or by cable or telex or other means of visible communication to each Director, unless absent from the United Kingdom. Regulation 88 of Table A shall be amended accordingly.
- 15.7 A person may be appointed a Director notwithstanding that he shall have attained the age of 70 years and no Director shall be liable to vacate office by reason of his attaining that or any other age.
- 15.8 At any meeting of the Directors each Director (or his alternate Director) present at the meeting shall be entitled to one vote.
- 15.9 In the case of an equality of votes at any meeting the Chairman of such meeting shall not be entitled to a second or casting vote. Regulation 88 of Table A shall be modified accordingly.
- 15.10 Subject to the provisions of Section 317 of the Act, a Director (including an alternate Director) may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a Director. A Director shall also be capable of voting in respect of such contract or arrangement, where he has previously disclosed his interest to the Company, or in respect of his appointment to any office or place of profit under the Company or of the arrangement of the terms of it and may be counted in the quorum at any meeting at which any such matters are considered. Regulations 94 to 96 (inclusive) of Table A shall not apply.

- 15.11 In Regulation 79 of Table A there shall be inserted the words "shall then be eligible for re-election" in place of the words "shall not be taken into account in determining the directors who are to retire by rotation at the meeting."
- 15.12 A resolution in writing signed by all the Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors, but so that the expression "Director" in this paragraph shall not include an alternate Director. Regulation 93 of Table A shall not apply.
- 15.13 The Directors may by resolution exercise all the powers of the Company to make provision (in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any Subsidiary) for the benefit of persons employed or formerly employed by the Company or that Subsidiary.
- 15.14 A Director and an alternate Director shall not be required to hold any shares, but nevertheless shall be entitled to attend and speak at any general meeting of the Company.
16. **The Investor Directors**
- 16.1 The Investor shall for as long as the Investor holds more than 30% of the total issued Ordinary Shares of the Company be entitled to appoint non-executive Directors of the Company, one of whom will be Chairman of the Company, and to remove from office any person so appointed and (subject to such removal) to appoint another person in his place. The Investor shall be entitled to appoint directors, notwithstanding the size of its shareholding with the consent of the majority of the Board.
- 16.2 Any appointment or removal of the Investor Directors shall be by signed instrument in writing served on the Company by the Investor and shall take effect on and from the date on which such instrument is lodged or deposited at the registered office of the Company.
- 16.3 Subject to Section 303 of the Act, on any resolution to remove one or both of the Investor Directors the Shares held by the Investor shall together carry at least one vote in excess of 75% of the votes exercisable in respect of that resolution at the general meeting at which such resolution is to be proposed and if any Investor Director is removed pursuant to Section 303 of the Act the Investor may reappoint him or any other person as Investor Director.
- 16.4 The Investor's right to appoint the Chairman of the Company in accordance with Article 16.1 shall cease on the Company adopting its

annual audited accounts which show 2 consecutive years in which the Company made profits before tax.

17. Alternate Directors

- 17.1 Each Director shall have the power at any time to appoint as an alternate Director either another Director or any other person approved for that purpose by a resolution of the Directors (such approval not to be unreasonably withheld), and, at any time, to terminate such appointment. Every appointment and removal of an alternate Director shall be in writing signed by the appointor and (subject to any approval required) shall (unless all the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company.
- 17.2 An alternate Director so appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.
- 17.3 An alternate Director shall (subject to his giving to the Company an address at which notice may be served upon him) be entitled to receive notices of all meetings of the Directors and of any committee of the Directors of which his appointor is a Shareholder and to attend and to vote as a Director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as a Director of his appointor and to receive notice of all general meetings. Regulation 66 of Table A shall not apply.
- 17.4 The appointment of an alternate Director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting. Regulation 67 of Table A shall not apply.
- 17.5 A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors or any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present. The last sentence of each of Regulations 88 and 89 of Table A shall not apply.

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18. **Borrowing powers**

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part of it, and to issue debentures, debenture stocks and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

19. **Disputes**

In the event of disagreement as to the calculation of the Net Profits or as to the calculation of the Specified Price, or as to whether any dividend shall be due under the provisions of these Articles to the holders of any class of share capital in the Company, or as to the amount of such dividend, any such disagreement shall be referred to an umpire (acting as expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination by the President for the time being of the Institute of Chartered Accountants in England and Wales on application by any such party) whose decision shall be final and binding and the costs of such umpire shall be borne equally by the parties to the dispute or disagreement.

20. **Notices**

20.1 Every Director of the Company and every alternate Director shall, upon supplying the Company with an address for the giving of notices, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by any Director or alternate Director shall not invalidate the proceedings at the meeting convened by such notice.

20.2 A notice may be given:

- (a) by the Company to any Shareholder or Director either personally or by sending it by first class post (airmail if abroad) or Royal Mail Special Delivery post or by telex or other means of visible communication to him or to his registered address or to the address supplied by him to the Company for the giving of notice to him; or
- (b) to the Company for the purpose of these Articles by like method at its registered office for the time being.

20.3 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice, and to have been effected at the expiration of 48 hours after the letter containing the same is posted. Where a notice is

sent by telex or other means of visible communication, service of the notice shall be deemed to be effected forthwith.

21. **Indemnity**

Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation to it, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Sections 144 and 727 of the Act, in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation to it. This Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act. Regulation 118 of Table A shall not apply.

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Memorandum of association

Simon Brooke & Partners Limited

Dated 2 May 1997

AQL/S87237
LW-003119

Bristol Office
50 Queen Charlotte Street, Bristol BS1 4HE
Telephone 0117 923 0220 Facsimile 0117 927 9209

London Office
1111gate House, 26 Old Bailey, London EC4M 7JIS
Telephone 0171 600 0155 Facsimile 0171 248 9934

The Companies Act 1985

Company limited by shares

**Memorandum of association
(as amended by written resolution dated 2 May 1997)**

of

Simon Brooke & Partners Limited

1. The Company's name is Simon Brooke & Partners Limited*.
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are:
 - (a) to carry on business as insurance brokers and agents, and as underwriting agents in all classes of insurance business, and as insurance advisers, pensions advisers, consultant assessors, valuers, surveyors, average adjusters and mortgage brokers, to provide hire-purchase and consumer credit finance and to act as factors†.
 - (b) to carry on any other trade or business whatsoever which can be advantageously carried on by the Company in connection with or as ancillary to any of the businesses or objects of the Company.
 - (c) to accept, draw, make, create, issue, execute, discount, endorse, negotiate and deal in bills of exchange, promissory notes, bonds and other instruments and securities, whether negotiable or otherwise.
 - (d) to subscribe for, underwrite, purchase or otherwise acquire, and to hold, dispose of and deal with, shares, bonds, obligations, or any other securities or units whatsoever of any company, fund, trust, business, undertaking or other entity and any options or other rights in respect of them, and to buy and sell foreign exchange.

* As amended by a written resolution dated 10 March 1997

† as amended by a written resolution dated 2 May 1997

- (e) to acquire and assume for any estate or interest and to take options over, construct, develop, turn to account, exploit and deal with any property, real or personal, and rights of any kind.
- (f) to purchase, acquire, undertake or assume the whole or any part of the business, undertaking, goodwill, assets and liabilities of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company carries on or is authorised to carry on or which is possessed of or entitled to any property or rights of whatsoever nature which may be thought advantageous to, or suitable for the purposes of, the Company.
- (g) to sell, exchange, mortgage, charge, let on rent, share of profit, royalty or otherwise, grant licences, easements, options and other rights over, and in any other manner deal with or dispose of all or any part of the undertaking, property and assets both present and future of the Company, or any part of it, for such consideration as may be thought fit, and in particular for shares or any other securities whatsoever whether fully or partly paid up.
- (h) to amalgamate or enter into partnership or any profit sharing or joint venture arrangement or association with, and to co-operate or participate in any way with, and assist or subsidise any person, company, firm or other entity whatsoever.
- (i) to co-ordinate, manage, finance, subsidise or otherwise assist any company or companies or other organisations or entities in which the Company is a member or participant or in which the Company otherwise has any direct or indirect interest and to provide for them administrative, executive, managerial, secretarial and other services and generally otherwise to carry on business as a holding company.
- (j) to apply for and take out, purchase or otherwise acquire any trade or service marks or names, designs, patents, patent rights, copyright, inventions, secret processes or formulae and any other intellectual property rights of any kind and to carry out experiments and research work in connection with them and to protect, maintain, develop, exploit, turn to account and deal with them.
- (k) to borrow and raise money and to secure or discharge any debt or obligation in any manner whatsoever and, in particular, by mortgages of or charges upon all or any part of the undertaking, property and assets (both present and future) and uncalled capital of the Company or by the creation and issue of securities of any description.

- (l) to lend, advance or deposit money or give or provide credit or any other form of financial accommodation to any person, firm, company or other entity whatsoever and whether with or without security and otherwise on such terms as may be thought fit.
- (m) to invest all moneys of the Company not immediately required in such manner as may be thought fit and to hold, dispose of and otherwise deal with any investments so made.
- (n) to enter into any guarantee, contract of indemnity or suretyship or to provide security, with or without consideration, whether 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 other method or in any other manner, for the performance of any obligations or commitments of, and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other moneys payable on or in respect of any securities or liabilities of, any person, firm, company or other entity including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company or which is otherwise associated with the Company.
- (o) to promote or join in the promotion of any company, firm or other entity whatsoever whether or not carrying on a business or having objects similar to those of the Company.
- (p) to promote and apply for any Act of Parliament, statutory instrument, order, licence or other authority for the purposes of effecting any modification to the Company's constitution or for any other purpose whatsoever which may be intended or calculated, directly or indirectly, to promote the Company's interests or to enable it to carry into effect any of its objects.
- (q) to enter into any agreement or arrangement with any government or governmental or other regulatory authority or person which may seem conducive to the attainment or implementation of the Company's objects or any of them and to obtain any orders, rights, privileges, franchises, and concessions and to carry out, enjoy, exercise and comply with them.
- (r) to pay all costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and incorporation of the Company or to enter into any agreement for them, and including the payment of commission or other remuneration or reward to any person for underwriting, placing, selling, subscribing or otherwise assisting in the issue of any securities of the Company or in or about its formation.

- (s) to procure the registration or incorporation of the Company in or under the laws of any territory outside England.
- (t) to the extent permitted by law, to give any form of financial assistance (as defined in Section 152, Companies Act 1985), directly or indirectly, for the purpose of, or in connection with, any acquisition or proposed acquisition of shares in the Company and/or any reduction or discharge of a liability incurred by any person for the purpose of such an acquisition.
- (u) to support and to subscribe or guarantee the payment of any money or transfer of any property whatsoever, to any national, charitable, benevolent, public, general or useful object or for any purpose which may be considered likely, directly or indirectly, to further the interests of the Company or of its members.
- (v) to establish, maintain and/or contribute to any pension, superannuation, death benefits, funds or schemes for the benefit of, and to give, award, or procure the giving or awarding, of donations, pensions, gratuities, allowances, annuities, emoluments or other benefits whatsoever to any persons who are or have at any time been in the employment or service of the Company or of any company which is its holding company or which is a subsidiary of either the Company or any such holding company or of any company which is otherwise allied to or associated with the Company, or who are or have at any time been Directors or officers (or held comparable or equivalent offices) of the Company or of any such other company, and also to the wives, widows, families and dependants of any such persons; to establish, subsidise or subscribe to any institutions, associations, clubs or funds which may be considered likely to benefit all or any such persons; to make payments for or towards the insurance of any such persons; to establish, support and maintain any form of profit-sharing, share purchase, share incentive, share option or employees' share scheme for any such persons and to lend money to any persons eligible to participate therein or benefit therefrom (or to trustees on their behalf) for the purposes of or in connection with the operation and enjoyment of any such scheme.
- (w) to distribute amongst the members of the Company, in specie or otherwise, all or any part of the property, undertaking or assets of the Company.
- (x) to do all or any of the things and matters aforesaid in any part of the world, either as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents, intermediaries, subsidiary companies or otherwise and either alone or in conjunction with others.

- (y) to do all such other things as may be considered incidental or conducive to the attainment of the above objects or any of them.

And it is declared that:

- (a) none of the objects set out above in this clause shall be restrictively construed but the widest interpretation shall be given to each such object which shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from the terms of any other object set out above;
- (b) none of the sub-clauses of this clause shall be construed as being subsidiary or ancillary to any of the objects specified in any other sub-clause and the same shall each be construed as if they constituted the objects of a separate, distinct and independent company;
- (c) the word "company" in this clause, except where used in reference to the Company shall include any partnership or other body of persons, whether incorporated or not, and whether formed, incorporated, domiciled or resident in the United Kingdom or elsewhere. The word "person" shall include any company as well as any legal or natural person and the words "and" and "or" shall also mean "and/or" where the context so permits.

- 4. The liability of the Members is limited.
- 5. The share capital of the Company is £1,000 divided into 1,000 Ordinary Shares of £1 each¹.

¹ by a written resolution dated 10 March 1997 the share capital was increased to £2,000 by the creation of an additional 1,000 ordinary shares of £1 each and by a written resolution dated 2 May 1997 each existing ordinary share of £1 each was converted into one cumulative redeemable preference share of £1 each and the share capital was increased to £61,000 by the creation of 1,000 ordinary shares of £1 each and an additional 58,000 cumulative redeemable preference shares of £1 each.