

26-09-97

Company Number 3403159

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of


IVYMOUNT LIMITED

Passed *11<sup>th</sup> September* 1997

I, the sole member of the above Company, being the only member who at the date hereof would be entitled to attend and vote at a general meeting of the Company hereby resolve as follows:-

RESOLUTIONS

- 1 That with effect from the passing of this resolution the authorised share capital of the Company be increased from £1,000 to £2,050,000 by the creation of 49,000 new ordinary shares of £1 each and 2,000,000 non-redeemable preference shares of £1 each.
- 2 That pursuant to the provisions of section 80 of the Act, the directors are generally authorised to exercise all the powers of the Company to allot relevant securities as defined by that section provided that the maximum amount of such securities which may be allotted under this authority (within the meaning of that section) is the amount of the Company's authorised but unissued share capital at the date hereof having taken into account the increase in share capital set out in the resolution above.
- 3 That, pursuant to the provisions of section 95 of the Act, the directors are empowered to allot equity securities (as defined in section 94 of that Act) pursuant to the authority conferred on them by the preceding resolution as if section 89(1) of that Act did not apply.
- 4 That with effect from the passing of this resolution the Articles of Association contained in the document signed by me for the purposes of identification be and 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.

  
.....  
Anthony Douglas Harding

S:\K30\AD.HANDLING - IVYMOUNT\WTTN RES 2.DOC





- (f) To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
- (g) To lend or advance money or give credit to any persons, firms or companies or others having dealings with the Company upon such terms and with or without security and subject to such conditions as may seem desirable and to give guarantees or become security for any such persons, firms, companies or others.
- (h) To guarantee support or to secure whether by personal 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 the performance of any obligations or commitments of, and the repayment or payment of the principal amounts of, and premiums, interest, dividends, and other moneys payable on or in respect of, any debentures, debenture stock, loan stock, shares or other securities, liabilities or obligations 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 or a holding company, as defined in section 736 of the Companies Act 1985, (as re-enacted by the Companies Act 1989 or any subsequent re-enactment or amendment thereof) or a subsidiary undertaking (as defined by Section 258 of the Companies Act 1985 or any re-enactment or amendment thereof) of the Company, or another subsidiary of such holding company or otherwise associated with the Company in business or through shareholdings.
- (i) To borrow and raise money in any manner and to secure the repayment of money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- (j) To draw, make, accept, endorse, discount, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable instruments that may be incidental or conducive to the Company's commercial activity.
- (k) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) or any corporations, companies or persons, that may seem conducive to the attainment of the Company's object and to obtain from any such government or authority, corporation, company or person, any charters, contracts, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions.
- (l) To subscribe for, take, purchase, or otherwise acquire and hold shares, stock or other interests in or obligations of any other company or corporation.
- (m) To promote any other company for the purpose of acquiring all or any of the property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.

- (n) To sell, let, licence, develop or otherwise deal with the whole or any part of the undertaking of the Company, either together or in portions upon such terms, as the Company may think fit, with power to accept shares, debentures, or securities of any company purchasing the same.
- (o) To undertake and perform sub-contracts and also to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors or others.
- (p) Subject to and in accordance with a due compliance with the provisions of Sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable), to give, whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act.
- (q) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment subject to the provisions of the Companies Act 1985 (or any statutory modification or re-enactment thereof) to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise.
- (r) To pay out of the funds of the Company all costs and expenses of or incidental to the promotion formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares or other securities of the Company.
- (s) To purchase and maintain insurance policies to indemnify the officers and auditor of the Company against any costs, expenses and liabilities arising from negligence, default, breach of duty or trust incurred by them in discharge of their duties or in relation thereto pursuant to the provisions contained in section 310(3) of the Companies Act 1985.
- (t) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees; to remunerate the Directors of the Company in any manner the Company may think fit and to pay or provide pensions for or make payments to or for the benefit of any persons who are or were at any time in the employment or service of the Company or of any company for the time being the Company's holding company or subsidiary company as defined by Section 736 of the Companies Act 1985 or otherwise associated with the Company in business and the wives, widows, families and dependants of any such persons; to make payments towards life insurance, to set up, establish support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons as aforesaid and of their wives, widows, families and dependants, and to set up, establish, support and maintain profit sharing, share option or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary or holding company and to lend money to any such employees or to trustees on their behalf to enable any such schemes to be established or maintained.
- (u) To distribute any property of the Company in specie among the members.

26-09-97

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

AND it is hereby declared that

i) None of the objects set forth in any sub-clause of this clause shall be restrictively construed but the widest interpretation shall be given to each such object, and the foregoing sub-clauses shall be construed independently of each other, except where the context expressly so requires and none of the objects therein mentioned shall be deemed to be merely subsidiary or ancillary to the objects contained in any other sub-clause; and

ii) Without prejudice to the generality of sub-clause (v), such matters as are hereinbefore set out in sub-clauses (b) to (u) are deemed to be incidental or conducive to the Company's object; and

iii) The word "Company" in this clause shall, except where used in reference to this Company, be deemed to include any partnership or other body of persons whether corporate or unincorporate and whether domiciled in any part of the United Kingdom or elsewhere.

4. The liability of the members is limited.

5. The Company's share capital is £2,050,000 divided into 50,000 ordinary shares of £1.00 each and 2,000,000 non-redeemable preference shares of £1.00 each.

I, the subscriber to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and I agree to take the number of shares shown opposite my name.

\_\_\_\_\_  
Name and address of the subscriber and number of shares taken by the subscriber

York Place Company Nominees Limited  
12 York Place  
Leeds LS1 2DS

One

\_\_\_\_\_  
Dated 7 July 1997

Witness to the above signature

Julie Tinkler  
12 York Place  
Leeds LS1 2DS

The Companies Act 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

IVYMOUNT LIMITED

(Adopted by  
Written Resolution passed // 9 1997)

1 Preliminary

The regulations contained in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 in force at the time of adoption of these Articles such Table being hereinafter called "Table A") shall apply to the Company save insofar as they are excluded or varied by these Articles and such regulations (save as so excluded or varied) and these Articles shall be the regulations of the Company.

2 Interpretation

In these Articles and in Table A the following expressions have the following meanings unless inconsistent with the context:-

"the Act	the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.
"these Articles"	these Articles of Association, whether as originally adopted or as from time to time altered by special resolution.
"clear days"	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
"Controlling Interest"	the ability to exercise or control the exercise of in the aggregate more than fifty per cent of the total voting rights (within the meaning of Section 736A(2) of the Act) capable of being exercised at general meetings.
"the Directors"	the directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company.

"Deed of Adherence"	a deed supplemental to the Shareholders' Agreement substantially in the form set out in the Shareholders' Agreement
"Employee Shareholder"	a shareholder who is an employee or director of the Company or any of its subsidiaries
"executed"	includes any mode of execution.
"Exit Date"	the first to occur of a Listing Date or a Sale Date (if any).
"the holder"	in relation to shares means the member whose name is entered in the register of members as the holder of the shares.
"Listing"	the admission of all or any of the ordinary share capital of the Company to the Official List of the London Stock Exchange or the admission of the same to trading on the Alternative Investment Market of such Stock Exchange or the admission of the same to, or the grant of permission by any other recognised investment exchange (as defined by Section 207 Financial Services Act 1986) and such admission or grant becoming effective in accordance with the relevant regulatory rules.
"Listing Date"	the date upon which a Listing becomes effective.
"office"	the registered office of the Company.
"Sale"	the sale of the whole or substantially the whole of the undertaking of the Company or of a Controlling Interest
"Sale Date"	the date upon which a Sale takes place.
"seal"	the common seal of the Company (if any).
"secretary"	the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint assistant or deputy secretary.
"share"	includes any interest in a share.
"Shareholders' Agreement"	the Shareholders' Agreement entered into on the same date as these Articles are adopted between (1) Mr Anthony Douglas Harding, (2) Jennifer Ann Harding and (3) Caroline Louise Preen
"the United Kingdom"	Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in these Articles and in Table A bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company. Regulation 1 of Table A shall not apply to the Company.

### 3 Share Capital

- 3.1 The authorised share capital of the Company at the time of adoption of these Articles is £2,050,000 divided into 2,000,000 cumulative non-redeemable preference shares of £1.00 each (in these Articles referred to as the "preference shares") and 50,000 ordinary shares of £1.00 each.

\\Server\_1\\sys1\\WPDATA\\KDEPT\\K30\\AD.HANDLING - IVYMOUNT\\DOCUMENTS\\DOC - IVY ARTICLES {3}.DOC

26-09-97

- 3.2 Save as may be provided by regulation 110 of Table A and subject to any contrary direction given by the Company in general meeting by special resolution all shares which are comprised in the authorised share capital of the Company from time to time which the Directors propose to issue shall first be offered, at par or at a premium and upon such other terms and conditions as the Directors may determine to the members who are holders of the same class of shares as those to be issued at the time of the offer in proportion to the number of the existing shares of that class held by them respectively and at the same price. Each such offer shall be made by notice specifying the total number and class of shares being offered to the members holding shares of that class as a whole, the proportionate entitlement of the member to whom the offer is made and the price per share and shall require each member to state in writing within a period (not being less than fourteen days) specified in the notice whether he is willing to take any and, if so, what maximum number of the said shares up to his proportionate entitlement. An offer, if not accepted within the period specified as regards any shares, will be deemed to be declined as regards those shares. After the expiration of such period, those shares so deemed to be declined shall be offered in proportion as aforesaid to the persons who have, within the said period, accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions shall not be issued. Any shares released from the provisions of this Article by any such special resolution as aforesaid shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit. No share shall be issued at a discount or otherwise in breach of the provisions of these Articles or of the Act.
- 3.3 Subject to any special rights conferred upon the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may by special resolution determine.
- 3.4 Subject to the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may by special resolution determine.
- 3.5 Regulation 4 of Table A and, in accordance with Section 91(1) of the Act, sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

#### 4 Share Rights

The rights attaching to the shares are as follows:-

##### 4.1 As regards income:-

- 4.1.1 The holders of the preference shares shall not be entitled to any dividend or other right of participation in the profits of the Company unless a dividend is declared on the ordinary shares (an "Ordinary Dividend"). In the event that an Ordinary Dividend is declared, the

\\Server\_1\sys1\WPDATA\KDEPT\K30\AD.HANDLING - IVYMOUNT\DOCUMENTS\DOC - IVY  
ARTICLES (3).DOC



26-09-97

holders of the preference shares shall be entitled to a fixed dividend of £100,000 in aggregate (a "Preference Dividend") which shall be paid before the Ordinary Dividend is paid.

4.1.2 (Subject to payment in full from time to time of the Preference Dividend and all (if any) arrears of the same) the profits of the Company for the time being available for distribution may be distributed amongst the holders of the ordinary shares pro rata.

**4.2 As regards capital:-**

On a return of capital on liquidation or otherwise the assets of the Company available for distribution among the members shall be applied first in repaying to the holders of the preference shares the amounts paid up on such shares together with a sum equal to any arrears of the Preference Dividend thereon, to be calculated down to the date of the return of capital and to be payable whether or not such dividend has been declared or earned, but the preference shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.

**4.3 As regards issue of further preference shares:-**

The Company shall not be entitled to issue any further shares ranking as regards participation in the profits and assets of the Company either in priority to or pari passu with the preference shares save with the consent or sanction of the holders of the preference shares given in accordance with the provisions of Article 5.

**4.4 As regards voting:-**

The preference shares shall not entitle the holders thereof to receive notice of or to attend or vote at any general meeting of the Company unless:-

4.4.1 at the date of the notice convening the general meeting the Preference Dividend on such shares is in arrear; or

4.4.2 the business of the general meeting includes the consideration of a resolution for winding up the Company or for redeeming the share capital of the Company or any resolution altering or abrogating any of the special rights attached to the preference shares;

in which case the holders of the preference shares shall be entitled to receive notice of and to attend and vote at the general meeting and any holder of preference shares shall be entitled to demand a poll at such meeting in which case if a poll is duly demanded the preference shares as a class shall entitle the holder or holders thereof present in person or by proxy or by representative (in the case of a body corporate) to the same number of votes as are capable of being cast by all other members present in person or by proxy or by representative as aforesaid at the general meeting and the chairman of the meeting shall not be entitled to a second or casting vote.

**5 Modification of Class Rights**

Subject to the Act, all or any of the special rights for the time being attached to any

\\Server\_1\sys1\Wpdata\KDEPT\K30\AD.HANDLING - IVYMOUNT\DOCUMENTS\DOC - IVY  
ARTICLES (3).DOC

class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of such shares. To any such separate general meeting all the provisions of the regulations of the Company as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy not less than one-third of the issued shares of the class. If such separate meeting shall be adjourned owing to the absence of a quorum and if at the adjourned meeting a quorum shall not be present within half an hour from the time appointed for such adjourned meeting the holder or holders of shares of the class concerned who are present in person or by proxy shall constitute a quorum. Every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him and any holder of shares of the class present in person or by proxy may demand a poll.

6 Lien

The Company shall 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 the sole registered holder thereof or shall be one of two or more joint holders, for all monies presently payable by him or his estate to the Company. Regulation 8 of Table A shall be modified accordingly.

7 Calls on Shares and Forfeiture

There shall be added at the end of the first sentence of regulation 18 of Table A, so as to increase the liability of any member in default in respect of a call, the words "and all expenses that may have been incurred by the Company by reason of such non-payment."

8 Share transfers

8.1 The Directors shall not register any transfer of shares in the Company except where:

- (a) the transfer is permitted by Article 9 (a "permitted transfer") or is compulsory by reason of Article 12 (a "compulsory transfer"); and
- (b) in all cases a Deed of Adherence duly executed by all relevant parties is laid before the meeting at which the transfer is to be approved.

8.2 Subject to Article 8.1 and Article 8.3, the Directors shall be obliged to register both a permitted transfer and a compulsory transfer.

8.3 The Directors may in their absolute discretion, and without assigning any reason

\\Server\_1\sys1\NPDATA\KDEPT\K30\AD.HANDLING - IVYMOUNT\DOCUMENTS\DOC - IVY  
ARTICLES {3}.DOC

for it, decline to register (1) any transfer of any share over which the Company has a lien; (ii) any transfer to more than four transferees; and/or (iii) any transfer comprising shares of more than one class.

9 Transfers to family shareholders, trusts and nominees

9.1 Any Shareholder may at any time transfer Shares:

- (a) to a Privileged Relation of such Shareholder; or
- (b) to trustees to be held upon a Family Trust resident in the United Kingdom; or
- (c) to a nominee of the Shareholder or, where the Shareholder is a nominee for any other person, to that person or to another nominee for him provided that in any such case the transferor certifies to the Company that no beneficial interest in the shares passes by reason of the transfer.

9.2 For the purposes of this Article:

- (a) the expression "Privileged Relation" in relation to a Shareholder shall mean the spouse or widow or widower of the Shareholder and the Shareholder's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Shareholder's children; and
- (b) the expression "Family Trust" shall, in relation to any Shareholder, mean trusts (whether arising under a settlement inter vivos or a testamentary disposition by whomsoever made or under an intestacy) under which no immediate beneficial interest in the Shares in question is for the time being vested in any person other than the Shareholder concerned or a Privileged Relation or such Shareholder and no power of control over the voting powers conferred by such Shares is for the time being exercisable by or subject to the consent of any person other than the trustee or trustees or the Shareholder concerned or a Privileged Relation of such Shareholder.

10 Pre-emption rights

10.1 Any person proposing to transfer any interest in any shares (a "Retiring Shareholder") other than pursuant to Article 9 shall give to the Company notice in writing (a "Transfer Notice"). The Transfer Notice shall be deemed to appoint the Directors as the agent of the Retiring Shareholder for the sale of shares specified in it (the "Sale Shares") at the Market Value (as defined below). A

\\Server\_1\sys1\WPDATA\KDEPT\K30\AD.HANDLING - IVYMOUNT\DOCUMENTS\DOC - IVY ARTICLES {3}.DOC

26-09-97

Transfer Notice may provide that unless all the Sale Shares are sold by the Company, none shall be sold (a "Total Transfer Condition").

- 10.2 The Market Value shall be the price certified by the auditors to be in their opinion the fair value of the Sale Shares on a going concern basis as between a willing seller and a willing buyer ignoring any discount which may otherwise be appropriate because the Sale Shares constitute a minority interest in the Company and on the assumption that the Sale Shares are capable of the transfer without restriction. The certificate as to Market Value shall be delivered by the accountants to the Company, which shall as soon as possible after receipt forward a copy of it to the Retiring Shareholder. If the certificate gives a price range, Market Value shall be deemed to be the mid-price within that range. The costs of obtaining the certificate shall be borne by the Company unless the Retiring Shareholder shall revoke the Transfer Notice in which case the Retiring Shareholder shall bear the cost.
- 10.3 The Retiring Shareholder shall be entitled to revoke the Transfer Notice by giving notice in writing to the Directors within 7 days of receipt by him of the accountants' certificate (the "Withdrawal Period"). If a Retiring Shareholder revokes a Transfer Notice he may not subsequently transfer the Sale Shares (or any interest in them) otherwise than in accordance with these Articles.
- 10.4 Within 7 days after the expiry of the Withdrawal Period, the Directors shall offer the Sale Shares to each Shareholder holding the same class of share as the Sale Shares (other than the Retiring Shareholder) by notice in writing, giving details of the price of the Sale Shares and inviting him to state in writing within 28 days of receipt by him of this notice whether he is willing to purchase and, if so, what number of Sale Shares up to the number comprised in the Transfer Notice. At the expiry of this period the Directors shall allocate the Sale Shares to the holders of the shares of the same class who have notified their willingness to purchase Sale Shares pro rata to their current holding of shares of that class and so that the provisions of this article shall continue to apply until all Sale Shares have been accepted or until the holders of shares of the same class decline to accept any more of them.
- 10.5 If, after making the allocations pursuant to Article 10.4, Sale Shares remain unallocated, the Directors shall offer them to each Shareholder of either class of share as if the same constituted one class, and so that the provisions of this article shall continue to apply until all of the Sale Shares have been accepted or until the Shareholders to whom they have been offered decline to accept any more of them.
- 10.6 If, after making the allocations pursuant to Article 10.5, Sale Shares remain unallocated the Directors shall forthwith offer them to any person or persons (including the Company) selected by the Director, who shall (subject, in the case of the Company, to due compliance with the Act) be entitled to purchase them at the Market Value at any time within 42 days from the date of this offer.

26-09-97

10.7 If the Sale Shares are subject to a Total Transfer Condition and the Company, selected persons and the Shareholders together do not offer to purchase all the Sale Shares or where there is no such condition but all the Sale Shares are not acquired in accordance with this Article 10, the Directors shall forthwith so inform the Retiring Shareholder by notice in writing. The Retiring Shareholder may retain the Sale Shares or, at any time within 6 months following receipt of this notice, transfer the Sale Shares to any person on a bona fide sale, at a price not being less than the price agreed or certified under this Article 10 and on terms not materially more favourable as to timing of payment than would apply to the existing Shareholders accepting Sale Shares in accordance with this Article 10 provided that:

- (a) the Directors may require to be satisfied that such Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate or allowance whatsoever to the purchaser, and if not so satisfied may refuse to register the instrument of transfer; and
- (b) if the Transfer Notice contained a Total Transfer Condition the Retiring Shareholder shall not be entitled under this Article 10 to transfer any Sale Shares unless the whole of such shares are transferred by him.

10.8 The Directors shall in writing notify the Shareholders (including the Retiring Shareholder) of the allocations made pursuant to Articles 10.4, 10.5 and 10.6 and the sale and purchase of the Sale Shares shall be completed within 14 days of receipt of this notice (subject, in the case of the Company, to due compliance with the Act). If, after having become bound to transfer any Sale Shares to a transferee, a Retiring Shareholder defaults in so doing the Directors shall authorise some person to execute any necessary transfers in favour of the transferee, upon receipt of the purchase money enter the name of the transferee in the register of members of the Company as the holder of the shares in question and hold the purchase money in trust for the Retiring Shareholder. The receipt of the Company for the purchase money shall be a good discharge to the transferee, and the transferee shall not be bound to see to the Application of it. After the name of the transferee has been entered in the register in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

# 11 Limitation on transfer of control

11.1 No sale or transfer of shares (for the purposes of this Article 11.1 the "Specified Shares") shall be made which would result if made and registered in a person or persons (whether or not a body corporate) who was or were not a Shareholder or Shareholders on the date of adoption of these Articles obtaining a Controlling Interest in the Company without the previous written consent of all the Shareholders unless before the transfer is lodged for registration the proposed transferee or transferees or his or their nominees has or have made an offer (stipulated to be open for 28 days) to purchase all of the Shares held by all the

26-09-97

Shareholders (the "Offer Shares") at the Specified Price (as hereinafter defined) and the preference shares at their subscription price plus any arrears or accruals of dividend together with any interest on them and on the same terms as the Specified Shares and the Shareholder to whom the offer was originally made shall procure that such offer remains open for acceptance by the holders of the Offer Shares for a period of 28 days from the date of the said offer.

11.2 For the purpose of this Article:

- (a) the expressions, "transferor" and "transferee" shall, without limitation, include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment; and
- (b) the expression the "Specified Price" shall mean a price per share at least equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees respectively for the Specified Shares to the holder or holders thereof plus an amount equal (in the relevant proportion) to any other consideration (in cash or otherwise) received or receivable by the holder or holders of the Specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Specified Shares.

Provided that if any part of the price per Specified Share is payable otherwise than in cash any Shareholder holding Offer Shares may at his option elect to take a price per share of such cash sum as may be reasonably agreed by him having regard to the substance of the transaction as a whole.

And provided further that in the event that any such sale of Specified Shares shall be made or proposed to be made to a person or persons connected (within the meaning of section 839 of the Income and Corporation Taxes Act 1988) with the Shareholder or Shareholders transferring such Shares or which is not made on arm's length terms, the price paid shall be such price as would be equal to the Market Value for such Shares in the same way as if they were the subject of a Transfer Notice but so that no account shall be taken, in determining the Specified Price, of the size of the shareholding representing a minority shareholding in the Company.

- 11.3 All other regulations of the Company relating to the transfer of Shares or other interests and the right to registration of transfers shall be read subject to the provision of this Article 11.

12 Deemed Transfer Notice and compulsory transfers

12.1 Cessation of employment

Whenever

12.1.1 any Employee Shareholder ceases to be an employee or director of the Company or its subsidiaries (for whatever reason) and so holds neither office; or

12.1.2 a Shareholder becomes bankrupt or makes any arrangement or composition with his creditors generally; or

12.1.3 a Shareholder is, or may be, suffering from mental disorder and either:

(a) is admitted to hospital in pursuant of an application for admission for treatment under the Mental Health Act 1983; or

(b) an order is made by a court having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to that Shareholder's property or affairs; or

12.1.4 a Shareholder dies

a Transfer Notice shall be deemed to have been served upon such cessation in respect of all shares held by that Shareholder and all shares originally held by that Shareholder but held by a Privileged Relation of his or the trustees of his Family Trust at the time of such cessation.

## 12.2 Purported transfer of Shares

If and when required by notice in writing by the Directors at the request of the holder or holders of a majority in nominal value of the other shares in the Company so to do (the "call notice"), a Shareholder who transfers or purports to transfer any Share in breach of the foregoing provisions of these Articles shall be bound to give a Transfer Notice in respect of all the Shares registered in the name of such Shareholder unless and to the extent that a valid transfer in respect of such Shares in favour of a person or persons to whom they may be transferred pursuant to Article 10 shall have been lodged for registration. In the event of such Shareholder failing to serve a Transfer Notice within thirty days of the date of the call notice such Shareholder shall be deemed to have given a Transfer Notice at the expiration of such period of 30 days and to have specified therein as the price per share the Market Value. The provisions of Article 10 shall mutatis mutandis apply.

## 13 General Meetings

\\Server\_1\sys1\WPDATA\KDEPT\K30\AD.HANDLING - IVYMOUNT\DOCUMENTS\DOC - IVY  
ARTICLES (3).DOC

26-09-97

The Directors may call general meetings and regulation 37 of Table A shall not apply to the Company.

#### 14 Notice of General Meetings

- 14.1 A notice convening a general meeting shall be required to specify the general nature of the business to be transacted only in the case of special business and regulation 38 of Table A shall be modified accordingly. The words "or a resolution appointing a person a director" and paragraphs (a) and (b) in regulation 38 of Table A shall be deleted and the words "in accordance with section 369(3) of the Act" shall be inserted after the words "if it is so agreed" in that regulation.
- 14.2 All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting with the exception of declaring a dividend, the consideration of the profit and loss account, balance sheet, and the reports of the Directors and auditors, the appointment of and the fixing of the remuneration of the auditors and the giving or renewal of any authority in accordance with the provisions of section 80 of the Act.
- 14.3 Every notice convening a general meeting shall comply with the provisions of section 372(3) of the Act as to giving information to members in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the Directors and to the auditors for the time being of the Company.

#### 15 Votes of Members

- 15.1 Regulation 54 of Table A shall not apply to the Company. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member entitled to vote who (being an individual) is present in person or by proxy (not being himself a member entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a member entitled to vote) shall have one vote and, on a poll, every member shall have one vote for each share of which he is the holder.
- 15.2 The words "be entitled to" shall be inserted between the words "shall" and "vote" in regulation 57 of Table A.
- 15.3 A member shall not be entitled to appoint more than one proxy to attend on the same occasion and accordingly the final sentence of regulation 59 of Table A shall not apply to the Company. Any such proxy shall be entitled to cast the votes to which he is entitled in different ways.

#### 16 Alternate Directors

- 16.1 An alternate director shall be entitled to receive notice of all meetings of the Directors and of all meetings of committees of the Directors of which his appointer is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him), to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor at such

\\Server\_1\sys1\WPDATA\KDEPT\K30\AD.HANDLING - IVYMOUNT\DOCUMENTS\DOC - IVY  
ARTICLES {3}.DOC



meeting as a director in his absence. An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company 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. Regulation 65 of Table A shall not apply to the Company.

16.2 A director, or any such other person as is mentioned in regulation 65 of Table A, may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the Directors or of 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 and the final sentence of regulation 88 shall not apply to the Company.

16.3 Save as otherwise provided in the regulations of the Company, an alternate director shall be deemed for the purposes specified in Article 16.1 to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him. Regulation 69 of Table A shall not apply to the Company.

#### 17 Appointment and Retirement of Directors

17.1 The Directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) of Table A shall not apply to the Company.

17.2 The Directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of Directors to exceed any number determined in accordance with regulation 64 of Table A as the maximum number of Directors for the time being in force.

#### 18 Disqualification and Removal of Directors

The office of a director shall be vacated if:-

18.1 he ceases to be a director by virtue of any provision of the Act or these Articles or he becomes prohibited by law from being a director; or

18.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

18.3 he is, or may be, suffering from mental disorder and either:-

18.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or

18.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

26-09-97

18.4 he resigns his office by notice to the Company; or

18.5 he shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office be vacated;

and regulation 81 of Table A shall not apply to the Company.

19 **Gratuities and Pensions**

Regulation 87 of Table A shall not apply to the Company and the Directors may exercise any powers of the Company conferred by its Memorandum of Association to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present Directors or employces (or other dependants) of the Company or any subsidiary or associated undertaking (as defined in section 27(3) of the Companies Act 1989) of the Company and the Directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

20 **Proceedings of the Directors**

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

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

20.1.2 may be a director or other office of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;

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

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

20.1.5 shall be entitled to vote on any resolution and (whether or not he shall vote) be counted in the quorum on any matter referred to in any of Articles 17.1.1 to 17.1.4 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall be counted.

20.2 For the purposes of Article 20.1:-

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

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

20.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

20.3 Any director (including an alternate director) may participate in a meeting of the Directors or a committee of the Directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

20.4 Regulation 88 of Table A shall be amended by substituting for the sentence:

"It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom"

the following sentence:-

"Notice of every meeting of the Directors shall be given to each director and his alternate director, including Directors and alternate Directors who may for the time being be absent from the United Kingdom and have given the Company an address within the United Kingdom for service."

20.5 Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company.

## 21 The Seal and share certificates

If the Company has a seal it shall be used only with the authority of the Directors or of a committee of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one director and by the secretary or another director. In the second sentence of Regulation 6 of Table A the words 'shall be sealed with the seal and' shall be deleted. Each share certificate shall only be issued by authority of the Directors or of a committee of the Directors authorised by the Directors and shall bear the signature of one director and the

\\Server\_1\sys1\WPDATA\KDEPT\K30\AD.HANDLING - IVYMOUNT\DOCUMENTS\DOC - IVY  
ARTICLES (3).DOC

26-09-97

company secretary or a second director. Regulation 101 of Table A shall not apply to the Company.

## 22 Notices

- 22.1 In regulation 112 of Table A, the words "by facsimile to a facsimile number supplied by the member for such purpose or" shall be inserted immediately after the words "or by sending it" and the words "first class" shall be inserted immediately before the words "post in a prepaid envelope."
- 22.2 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed, prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted. Where a notice is sent by facsimile receipt of the appropriate answerback shall be conclusive evidence that the notice was given and the notice shall be deemed to have been given at the time of transmission following receipt of the appropriate answerback. Regulation 115 of Table A shall not apply to the Company.
- 22.3 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national daily newspaper and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

## 23 Winding Up

In regulation 117 of Table A, the words "with the like sanction" shall be inserted immediately before the words "determine how the division".

## 24 Indemnity

- 24.1 Subject to the provisions of section 310 of the Act every director (including an alternate 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 lawful execution of the duties of his office or otherwise in relation thereto, 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 section 144 or section 727 of the Act in which relief is granted to him by the court, and no director (including an alternate 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 lawful execution of the duties of his office or in relation thereto. Regulation 118 of Table A shall not apply to the Company.
- 24.2 The Directors shall have power to purchase and maintain for any director (including an alternate director), officer or auditor of the Company insurance against any such liability as is referred to in section 310(1) of the Act and subject to the provisions of the Act against any other liability which may

\\Server\_1\sys1\WPDATA\KDEPT\K30\AD.HANDLING - IVYMOUNT\DOCUMENTS\DOC - IVY  
ARTICLES [3].DOC

26-09-97

attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director (including an alternate director), officer or auditor.

- 24.3 The Directors may authorise Directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any director (including an alternate director), other officer or auditor of such company in respect of such liability, loss or expenditure as is referred to in Article 24.2.

26-09-97

---

Name and address of Subscriber

---

York Place Company Nominees Limited  
12 York Place  
Leeds  
LS1 2DS

Dated: 7<sup>th</sup> July 1997

Witness to the above signature

Julie Tinkler  
12 York Place  
Leeds  
LS1 2DS