

THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS

- of -

THE ACTIVE BOOKING COMPANY LIMITED

("the Company")

(Passed on 15 March 2000)

Pursuant to s 381A Companies Act 1985 the following Resolutions were duly unanimously passed on 15 March 2000 as Special Resolutions of the Company:

SPECIAL RESOLUTIONS

That:

1. the Regulations contained in the printed document submitted to this Meeting and for the purpose of identification signed by the Chairman be and the same are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association of the Company;
2. in accordance with Section 80 of the Companies Act 1985 the Directors be and are hereby generally and unconditionally authorised, for the period commencing on and with effect from the date of adoption of this Resolution and expiring on the fifth anniversary of such date, to exercise all the powers of the Company to allot up to 40,500 Ordinary Shares of 1pence each;
3. the application for the 40,500 Ordinary Shares applied for by the Investors be hereby accepted and that the Shares so applied for be and they are hereby allotted to the Investors for the consideration of £405,000; and
4. the pre-emption provisions in Section 89 of the Companies Act 1985 be excluded and shall not apply to the allotment of 40,500 Ordinary Shares pursuant to the authority granted to the Directors by paragraph (2) above.



Chairman

THE COMPANIES ACT 1985

A Private Company Limited by Shares

Articles of Association

- of -

THE ACTIVE BOOKING COMPANY LIMITED
Company No: 3512889

Lovells
65 Holborn Viaduct
London EC1A 2DY

A5/JDS/AJDH

Tel: 020 7296 2000
Fax: 020 7296 2001

A PRIVATE COMPANY LIMITED BY SHARES

New
Articles of Association
(adopted by Special Resolution
passed on 15 March 2000)

of

THE ACTIVE BOOKING COMPANY LIMITED

Regulations of the company

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

Definitions

3. In these Articles unless the context otherwise requires the words standing in the first column of the following Table bear the meanings set opposite them respectively in the second column:

Expression:	Meanings:
"Founders"	each of Andrew Phillips and Adrian Critchlow
"Transfer Notice"	as defined in Article 11.1
"Investors"	means investors as defined in the Subscription and Shareholders' Agreement in respect of the Company entered into on 7 March 2000
"Investor Director"	as defined in Article 11.4

Share capital

4. The share capital of the company is £5,000 divided into 500,000 ordinary shares of 1p each ranking pari passu in all respects.
5. (a) Subject to paragraph (d) of this Article the directors shall not without the authority of the company in general meeting allot any of the shares in the capital of the company.

- (b) Where authority has been given to the directors as referred to in paragraph (a) of this Article to allot shares the directors may subject to the terms of such authority and subject to any terms on which any shares are created or issued allot such shares to such persons (including any directors) at such times and generally on such conditions as they think proper provided that no shares shall be issued at a discount contrary to the Act.
- (c) In the foregoing paragraphs of this Article references to allotment of shares shall include references to the grant of any right to subscribe for, or to convert any security into, shares.
- (d) Where authority has been given to the directors as referred to in this Article to grant a right to subscribe for, or to convert any security into, shares the directors may without further authority allot such shares as may require to be allotted pursuant to the exercise of such right.

Variation of rights

- 6. The rights attached to any existing shares shall not (unless otherwise expressly provided by the terms of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking *pari passu* with the existing shares or in priority to them.

Share certificates

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

Lien

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

Calls on shares

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

10. TRANSFER OF SHARES

- 10.1 Subject to this article, no transfer of any share to a person other than to an existing member may be registered without the approval of a member or members holding a majority in nominal value of the issued shares for the time being conferring the right to vote at general meetings of the company, and the directors shall be bound to approve a transfer which has such approval.

- 10.2 (a) Any member being a body corporate shall be entitled to transfer all or any of its shares to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company (each such body corporate being hereinafter referred to as a "Group Company") but if a Group Company whilst it is a member of the Company shall cease to be a Group Company in relation to the body corporate first holding the relevant shares after the date of adoption of these Articles it shall within 21 days of so ceasing transfer the shares held by it to such body or any Group Company of such body failing

which the member shall be deemed to have given a Transfer Notice pursuant to Article 14.

- (b) Subject as herein provided any member who is an individual (the "Original Member") may transfer all or any of his shares to his or her spouse or adult children or adult stepchildren or to the trustee or trustees of a family trust set up wholly for the benefit of one or more of the transferor his or her spouse children or stepchildren, brothers, sisters, nephews, nieces or parents and of which the said member is the settlor PROVIDED THAT a member acquiring shares pursuant to this Article 10 shall not have the like right unless the transfer is to a person to whom the Original Member could have made a transfer pursuant to this Article 10.
- (c) Any shares may be transferred:
 - (i) pursuant to the acceptance of an Appropriate Offer;
 - (ii) pursuant to Article 11;
 - (iii) by one Founder to another Founder.

11. Compulsory Transfer of Shares

- 11.1 A member or a person entitled by transmissions otherwise, who intends to transfer shares shall give to the Company notice in writing of his intention (the "Transfer Notice"), specifying the shares which he intends to transfer and the price per share (the "Sale Price") at which he is prepared to sell, or where appropriate, that he is prepared to sell at market value.
- 11.2
 - (a) If on or before 31 July 2001 an employee or director of the Company or any of its subsidiaries other than the Founders ceases for whatever reason to be such an employee or director without remaining or becoming an employee of the Company or any other subsidiary (as the case may be) (the "Leaving Shareholder"), such employee or director (and any Related Person as defined in Article 3) shall be deemed to have given a Transfer Notice at the date of such cessation in respect of all the shares then registered in his or their names.
 - (b) If on or before 31 July 2001 any person (whether or not a member) ceases for whatever reason to be a director or employee of the Company or any of its subsidiaries ("Former Employee") and at any time thereafter he or a Related Person becomes the holder of any shares in the Company by virtue of any rights or interests acquired by him whilst he was such director or employee, he shall thereupon be bound to give a Transfer Notice in respect of all such shares in accordance with Article 32.1(a).
- 11.3 The Sale Price for the shares of a Leaving Shareholder or Former Employee and any related person of either shall be the nominal value of the Shares.
- 11.4 The provisions of this Article 11 shall not apply to a director of the Company appointed by Investors holding in aggregate at least 50% in nominal amount of the ordinary shares held by all the Investors from time to time for so long as the Investors hold not less than 10% of the issued share capital of the Company (in nominal value) (the "Investor Director").

12. COME ALONG OPTION

- 12.1 If at any time any Vendor or Vendors ("Vendors") holding in aggregate 70% of the shares of the Company wish to transfer shares in the Company representing in aggregate not less than 70% of the ordinary shares of the Company (the "70% Holding") to any person (other than any person or persons connected with the Vendors) (the "Third Party"), then:
 - (a) provided that such Vendors are transferring all their shares in the Company the Vendors shall also have the option (the "Come Along Option") to require all of the

other shareholders (the "Other Shareholders") to transfer all their shares to the Third Party or as that Third Party directs; and

- (b) the provisions of Articles 10 and 14 shall not apply to any acquisition of shares pursuant to this Article 12.
- 12.2 The Vendors shall give notice to the Company and all the other Shareholders of the intention to transfer the 70% Holding and the price at which the shares comprising the 70% Holding are to be sold and may only exercise the Come Along Option and/or transfer such shares within seven days after giving such notice (that seven day period being called the "come along option period").
- 12.3 The Vendors may only exercise the come along option by giving notice to that effect (the "Come Along Notice") to the other Shareholders (the "Called Shareholders") specifying that the Called Shareholders are required to transfer their shares pursuant to Article 11 and the price at which the called shares are to be transferred (the "Called Shares").
- 12.4 A Come Along Notice, once given, is irrevocable but both the notice and all obligations under the notice will lapse if for any reason the Vendors do not transfer all of the shares to the third party.
- 12.5 The Called Shareholders shall be obliged to sell the Called Shares for the same consideration per share as is to be provided by the Third Party to the Vendors in respect of the 70% Holding PROVIDED ALWAYS that in the event that the Vendors and the Third Party are acting in concert then the price per share shall not be less than fair value as determined by the Auditors (after taking into account that the whole of the share capital of the Company is to be sold (and for the avoidance of doubt without making a discount for a minority holding) and on the basis that the business of the Company is a going concern.
- 12.6 Upon the exercise of the Come Along Option in accordance with this clause, each of the Called Shareholders shall be bound to sell its Called Shares for the price determined in accordance with this clause.
- 12.7 Completion of the sale of the Called Shares shall take place on the date specified for that purpose by the Vendors to the Called Shareholders except that:
- (a) the Vendors may not specify a date which is less than 28 days after the date of the Come Along Notice; and
 - (b) the date so specified by the Vendors shall be the same date as the date proposed for completion of the sale of the 70% Holding, unless all of the Called Shareholders and the Vendors agree otherwise.

13. TAG ALONG

- 13.1 If the effect of any transfer of shares by a Vendor (other than a permitted transfer pursuant to Article 10) would, if completed, be to enable any person or persons connected with each other or persons acting in concert with each other:
- (a) to obtain Control over or increase Control beyond that number of shares in the Company which in aggregate confer 70% or more of the voting rights normally exercisable at general meetings of the Company; or
 - (b) to obtain Control over or increase Control beyond 70% in nominal value of the shares of the Company then in issue;

the Vendor shall procure the making by the proposed transferee of the Vendor's shares of an Appropriate Offer to all of the other members of the Company (other than any person or persons connected with each other or acting in concert with each other who shall as a consequence of the proposed transfer obtain or, where relevant, increase such Control).

Every shareholder on receipt of an Appropriate Offer shall be bound within 21 days of the date of such offer (which date shall be specified therein) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Appropriate Offer has been made and completed the Board shall not sanction the making and registration of the relevant transfer.

- 13.2 The provisions of Articles 10 and 14 shall not apply to any transfer of shares pursuant to this Article 13.
- 13.3 For the purposes of these Articles "Control" means the right by virtue of holding shares in, or the possession of voting power in or in relation to, the Company or any other body corporate to exercise or procure the exercise of the voting rights attached to the relevant shares.
- 13.4 "Appropriate Offer" means an unconditional offer, open for acceptance for not less than 21 days, to purchase the shares held by the recipient of an Appropriate Offer for a consideration in cash or with a cash alternative equal to the higher of:
- (a) fair value for the shares taken as one class determined by the Auditors pursuant to Article 15 below apportioned between each class in accordance with the percentage of the equity share capital attributable to each class; or
 - (b) par; or
 - (c) the highest price per share (exclusive of stamp duty, stamp duty reserve tax and commission) paid or to be paid by any person or persons referred to in Article 13.1.

for the shares in the Company (inclusive of the shares giving rise to the obligation to make the Appropriate Offer) within the period of one year prior to and on the proposed date of completion of such transfer of shares plus such further amount equal to any other consideration (in cash or otherwise) received or receivable by the holders of such 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 such shares.

- 13.5 In the event of disagreement, the calculation of the relevant Appropriate Offer price 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 appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall be final and binding in the absence of manifest error.

14. OTHER TRANSFER

- 14.1 Any holder of Ordinary Shares wishing to transfer shares (a "Vendor") otherwise than in accordance with Article 10 shall give notice in writing (a "Transfer Notice") to the Company stating:
- (a) the number of shares which he wishes to transfer;
 - (b) the name of any third party to whom he proposes to sell or transfer the shares;
 - (c) the price at which he wishes to transfer the shares (which shall be deemed to be fair value as determined by the Auditors pursuant to Article 15 if no price is specified) (the "Transfer Price"); and
 - (d) whether or not the Transfer Notice is conditional upon all and not part only of the shares so specified being sold pursuant to the offer hereinafter mentioned and in the absence of such stipulation it shall be deemed not to be so conditional.

- 14.2 Where any Transfer Notice is deemed to have been given in accordance with these Articles the deemed Transfer Notice shall be treated as having specified:
- (a) that all the shares registered in the name of the Vendor shall be included for transfer;
 - (b) that the price for the shares shall be as agreed between the Board and the Vendor or failing agreement shall be fair value as determined by the Auditors pursuant to Article 15 and such price as agreed or determined shall be the Transfer Price for the purposes of these Articles (the "Transfer Price"); and
 - (c) that no condition referred to in Article 14.1(d) shall apply.
- 14.3 A Transfer Notice shall constitute the Company the agent of the Vendor for the sale of the shares specified therein (the "Sale Shares") at the Transfer Price.
- 14.4 No Transfer Notice once given or deemed to be given in accordance with this Article 14 shall be withdrawn unless:
- (a) the Vendor is obliged to procure the making of an Appropriate Offer pursuant to Article 13 and is unable so to procure. In that event the Vendor shall be entitled to withdraw such Transfer Notice prior to the completion of any transfer, without liability to any person; and
 - (b) the Transfer Notice (being other than a deemed Transfer Notice) is withdrawn within seven days of the date of the Auditor's certificate referred to in Article 15.
- 14.5
- (a) The Company shall as soon as practicable following receipt of a Transfer Notice or, where later, upon the determination of the Transfer Price or, where later, but only in the case of a deemed transfer pursuant to Article 11, upon the reason for the director or employee becoming a Retiring Member having been agreed or finally determined, give notice in writing to each of the members of the Company informing them that the Sale Shares are available and of the Transfer Price and shall invite each member to state in writing within 42 days from the date of the said notice (which date shall be specified therein) whether he is willing to purchase any and, if so, how many of the Sale Shares. Sale Shares of a particular class shall be treated as offered in the first instance to all other persons (other than the Vendor) holding shares of the same class pro rata to the number of shares of that class then held by them in priority to all other classes of shareholder and in so far as such offer shall not be accepted by such persons shall be treated as having been offered to all of the members holding shares in the capital of the Company of the other class, pro rata to the number of shares of that class then held by them.
 - (b) The Sale Shares shall be offered to each class of shareholder on terms that in the event of competition the Sale Shares offered shall be sold to the members accepting the offer in proportion (as nearly as may be) to their existing holdings of shares of the class to which the offer is made (the "Proportionate Entitlement"). It shall be open to each such member to specify if he is willing to purchase shares in excess of his proportionate entitlement ("Excess Shares") and if the member does so specify he shall state the number of Excess Shares.
 - (c) After the expiry of the offers to be made pursuant to Article 14.3 above or sooner if all the Sale Shares offered shall have been accepted in the manner provided in Article 14.3 above, the Board shall, within seven days thereafter, allocate the Sale Shares in the following manner:

- (i) if the total number of shares applied for is equal to or less than the available number of Sales Shares the Company shall allocate the number applied for in accordance with the applications; or
- (ii) if the total number of shares applied for is more than the available number of Sale Shares, each member shall be allocated his Proportionate Entitlement or such lesser number of Sale Shares for which he may have applied and applications for Excess Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each member applying for Excess Shares in the proportion which shares of the relevant class held by such member bears to the total number of shares of that class held by all such members applying for Excess Shares PROVIDED THAT such member shall not be allocated more Excess Shares than he shall have stated himself willing to take,

and in either case the Company shall forthwith give notice of each such allocation (an "Allocation Notice") to the Vendor and each of the persons to whom Sale Shares have been allocated (a "Member Applicant") and shall specify in the Allocation Notice the place and time (being not later than 14 days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed SAVE THAT the transfer and completion of the sale of the Sale Shares shall not be sanctioned or effected by the Board if such transfer obliges the Vendor to procure the making of an Appropriate Offer in accordance with Article 13, and no such Offer has been made or the contract arising from acceptance of such Offer has not been completed.

- 14.6 Subject to Article 14.7 below, upon such allocations being made as aforesaid, the Vendor shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified. If he makes default in so doing the Chairman for the time being of the Company or failing him one of the Directors or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Vendor with full power to execute complete and deliver in the name and on behalf of the Vendor a transfer of the relevant Sale Shares to the Member Applicant and any Director may receive and give a good discharge for the purchase money on behalf of the Vendor and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Vendor until he shall deliver up his certificate or certificates for the relevant shares to the Company when he shall thereupon be paid the purchase money.
- 14.7 If the Vendor shall have included in the Transfer Notice a provision that unless all the Sale Shares are sold none shall be sold and if the total number of shares applied for by Member Applicants is less than the number of Sale Shares then the Allocation Notice shall refer to such provision and shall contain a further invitation open for 28 days to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the preceding paragraphs of this Article shall be conditional upon such provision as aforesaid being complied with in full.
- 14.8 In the event of all the Sale Shares not being sold under the preceding paragraphs of this Article the Vendor may at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted transfer any Sale Shares not sold to any person or persons at any price not less than the Transfer Price PROVIDED THAT:

- (a) the Board shall be entitled to refuse registration of the proposed transferee in their absolute discretion PROVIDED THAT the Board shall not be so entitled if the effect of such transfer would oblige the Vendor to procure the making of an Appropriate Offer in accordance with Article 13 and such offer has been made and completed;
- (b) if the Vendor stipulated in the Transfer Notice that unless all the Sale Shares were sold none should be sold, the Vendor shall not be entitled, save with the written consent of all the other members of the Company, to sell hereunder only some of the Sale Shares comprised in the Transfer Notice to such person or persons;
- (c) any such sale shall be a bona fide sale and the Board may require to be satisfied in such manner as it may reasonably require that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument of transfer; and
- (d) the Board shall refuse registration of the proposed transferee if such transfer obliges the Vendor to procure the making of an Appropriate Offer in accordance with Article 13 until such time as such Offer has been made and the contract arising from acceptance thereof completed.

15. TRANSFER OF SHARES VALUATION

- (a) If the Auditors are required to determine the price at which shares are to be transferred pursuant to these Articles such price shall be the amount the Auditors shall on the application of the Board (which application shall be made as soon as practicable following the time it becomes apparent that a valuation pursuant to this Article 15 is required) certify in writing to be the price which in their opinion represents a fair value for such shares as between a willing vendor and a willing purchaser as at the date the Transfer Notice or deemed Transfer Notice is given and, in making such determination, the Auditors shall not take any account of whether the Sale Shares comprise a majority or a minority interest in the Company nor the fact that transferability is restricted by these Articles (and shall assume that the entire issued share capital of the Company is being sold).
- (b) In so certifying, the Auditors shall act as experts and not as arbitrators and their decision shall be final and binding on the parties.
- (c) The costs of the Auditors shall be borne by the Company unless in the case of a determination required pursuant to the provisions of Article 14.1(c) the amount determined by the Auditors is less than that suggested by the Board in which event the costs of the Auditors shall be borne by the Vendor.

Transmission of shares

16. There shall be inserted at the end of Regulation 31 in Table A the following proviso, namely: "provided always that the directors may at any time give notice requiring any such person to elect either to become or to have another person registered as the holder of the share and if the requirements of the notice are not complied with within ninety days the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with".

Proceedings at general meetings

17. In paragraph (b) of Regulation 38 in Table A there shall be inserted after the words: "giving that right", the following words, namely: "(or such lesser percentage as may be permitted by the Act and agreed by the members)".

18. In Regulation 41 in Table A there shall be inserted after the words "the directors may determine" the following words, namely: "and if at the adjourned meeting such a quorum is not present within half an hour from the time appointed for the meeting, one member present in person or by proxy or (being a corporation) by its duly authorised representative shall be a quorum".
19. A poll may be demanded by any member present in person or by proxy or (being a corporation) by its duly authorised representative. Regulation 46 in Table A shall be construed accordingly.
20. A resolution in writing of all the members who would have been entitled to vote upon it if it had been proposed at a general meeting at which they were present shall be as effectual as if it had been passed at a general meeting duly convened and held either:
 - (a) if it consists of an instrument executed by or on behalf of each such member; or
 - (b) if it consists of several instruments in the like form each either:
 - (i) executed by or on behalf of one or more of such members; or
 - (ii) sent by or on behalf of one or more of such members by and deposited or received at the office or received by the secretary.

Votes of members

21. Subject to any rights or restrictions as to voting attached to any shares by the terms on which they were issued or by or in accordance with the Articles or otherwise, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by its duly authorised representative not being himself a member entitled to vote, shall have one vote, and on a poll every member who is present in person or by proxy or (being a corporation) is present by its duly authorised representative shall have one vote for every share of which he is the holder.
22. The instrument appointing a proxy shall be in writing in any usual or common form and shall (except in the case of an appointment by fax of an appointment otherwise complying with the requirements of this Article) be executed by the appointor or his attorney duly authorised in writing or in such other form as the directors may approve. A proxy need not be a member of the company.
23. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is executed, or a notarially certified copy of such power or authority, shall be deposited or received at the office (or at such other place in the United Kingdom as is specified for that purpose in any instrument of proxy sent by the company in relation to the meeting) not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or handed to the chairman of the meeting or adjourned meeting, and, in default, the instrument of proxy shall be invalid.

Alternate directors

24.
 - (a) A director may by written notice signed by him (except in the case of an appointment by fax of an appointment otherwise complying with the requirements of this Article) and deposited or received at the office or received by the secretary or in such other manner as the directors may approve appoint another director or any other person to be and act as his alternate director.
 - (b) Every alternate director shall (subject to his giving to the company an address within the United Kingdom at which notices may be given to him) be entitled to notice of meetings of the directors or of committees of directors, and to attend and vote as a director at any such meeting at which the director appointing him is entitled to attend and vote but is not personally present and generally at such meeting to exercise all the powers, rights, duties and authorities of the director appointing him. Every alternate director shall also be entitled to sign or, in the

case of fax, send on behalf of the director appointing him a resolution in writing of the directors pursuant to Article 30.

- (c) An alternate director shall neither be an officer of the company nor entitled to any remuneration from the company for acting as an alternate director.
- (d) A director may by written notice signed by him or sent by him by fax and deposited or received at the office or received by the secretary or in such other manner as the directors may approve at any time revoke the appointment of an alternate director appointed by him.
- (e) If a director shall cease to hold the office of director for any reason, the appointment of his alternate director shall thereupon automatically cease.

Delegation of directors' powers

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

Retirement, appointment and removal of directors

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

Disqualification and removal of directors

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

Removal of the Founders

28. On any resolution pursuant to s303 of the Act for the removal of either of the Founders as directors of the Company the Founder who is being proposed to be removed at such meeting shall together have twice as many votes as all other members voting on such resolution.

Remuneration of directors

29. The following sentence shall be added at the end of Regulation 82 in Table A, namely: "Any director who serves on any committee, or who devotes special attention to the

business of the company, or who otherwise performs services which in the opinion of the directors are in addition to or outside the scope of the ordinary duties of a director (which services shall include, without limitation, visiting or residing abroad in connection with the company's affairs), may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the directors may determine".

Directors' appointments and interests

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

Directors' and employees' gratuities and pensions

31. The directors may:

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

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

Proceedings of directors

32. In Regulation 88 in Table A there shall be substituted for the third sentence the following sentences, namely: "Every director shall be given not less than 48 hours notice of every meeting of the directors, such notice to be sent to such address as is notified by him to the company for this purpose or otherwise communicated to him personally. Any director may by notice to the company either before or after the meeting waive his right to receive notice of the meeting and any director who either:
- (a) is present at the commencement of a meeting whether personally or by his alternate director; or
 - (b) does not, within 7 days following its coming to his attention that a meeting has taken place without prior notice of such meeting having been given to him

pursuant to this Regulation, notify the company that he desires the proceedings at such meeting to be regarded as a nullity,

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

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

Borrowing Powers

37. The Directors may exercise all the powers of the Company to borrow and raise money and to mortgage and charge all or any part of the undertaking, properly and uncalled capital of the Company and, subject to the provisions of the Act, to issue debentures and

other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Minutes

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

The seal

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

Notices

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

Indemnity

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