

No: 3522941

The Companies Act 1985

Company limited by shares

Written Resolution

of

Dalgety Group Limited

(Pursuant to section 381(A),
Companies Act 1985)

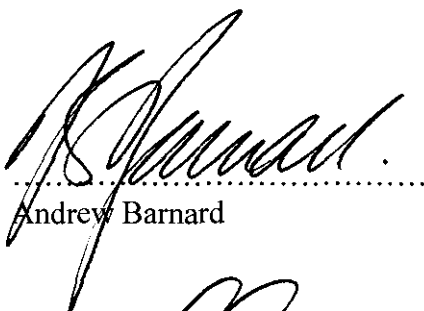
(31st March 2000)

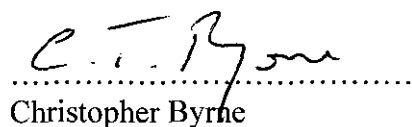


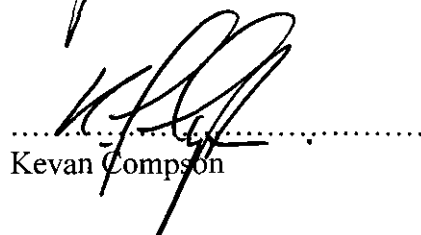
We, being all of the members of the Company entitled to attend and vote at a general meeting of the Company **resolve by way of special resolution as follows:**

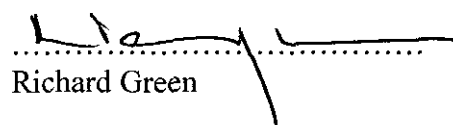
That:

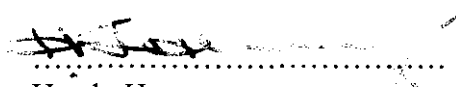
1. The 62,400 issued A ordinary shares in the capital of the Company held by Peter Hunt at the date of this resolution be converted into D ordinary shares having the rights set out in the articles of association of the Company as adopted on the date of this resolution; and
2. The draft regulations contained in the printed document initialled by Richard Green for identification be and they are approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.

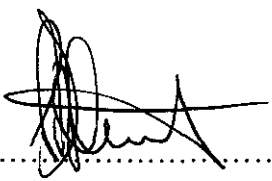

.....
Andrew Barnard


.....
Christopher Byrne


.....
Kevan Compson

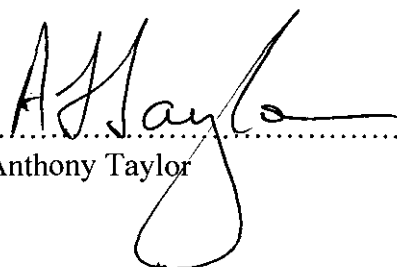

.....
Richard Green


Haydn Henry


Peter Hunt


Paul Kirk


Gregory Panter


Anthony Taylor


Director
for and on behalf of
Regulus Trustees Limited

For and on behalf of
REGULUS LIMITED
as Secretary

DIRECTOR

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

OF

DALGETY GROUP LIMITED

(ADOPTED BY SPECIAL RESOLUTION PASSED ON 31st MARCH 2000)

NO. 3522941

DJF/SCMT-891



Company number
3522941

THE COMPANIES ACT 1985
A PRIVATE COMPANY LIMITED BY SHARES
NEW
ARTICLES OF ASSOCIATION
OF
DALGETY GROUP LIMITED

*(adopted by special resolution
passed on 31st March 2000)*

PRELIMINARY

1. Except as otherwise provided in these articles, the regulations contained in Table A shall apply to the Company. For the purposes of these articles, Table A means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985, as amended by the Companies (Tables A to F) (Amendment) Regulations 1985.

2. (1) In these articles, unless the contrary intention appears:

"**A Shares**" means A ordinary shares of 1p each in the capital of the Company and "**A Shareholder**" means a holder of any of those shares;

"**Board**" or "**directors**" means the board of directors of the Company;

"**B Shares**" means B ordinary shares of 1p each in the capital of the Company and "**B Shareholder**" means a holder of any of those shares;

"**C Shares**" means C ordinary shares of 1p each in the capital of the Company and "**C Shareholder**" means a holder of any of those shares;

"**D Shares**" means D ordinary shares of 1p each in the capital of the Company and "**D Shareholder**" means a holder of any of those shares;

"**EBT**" has the meaning given in article 7;

"**Fair Price**" has the meaning given in article 7;

"**Majority Holders**" means the holders of more than 60 per cent. of the A Shares in issue for the time being which entitle the holders thereof to vote at general meetings of the Company;

"Majority Holders" means the holders of more than 60 per cent. of the A Shares in issue for the time being which entitle the holders thereof to vote at general meetings of the Company;

"Shareholders" means the A Shareholders, the B Shareholders, the C Shareholders and the D Shareholders;

"Shares" means the A Shares, the B Shares, the C Shares and the D Shares;

"Statutes" means the Act and every other statute, statutory instrument, regulation or order for the time being in force concerning companies registered under the Act;

"Subscription Price" means, in relation to a Share, the amount paid up or credited as paid up on that Share (including the full amount of any premium at which that Share was issued);

"subsidiary" has the meaning given in section 736 of the Act;

"Warrant Instrument" means the instrument by way of deed poll relating to warrants to subscribe for B Shares executed by the Company on or about the date of adoption of these articles;

"Warrants" means warrants to subscribe for B Shares on the terms set out in the Warrant Instrument and **"Warrantholders"** means the holders of such Warrants;

words importing the singular number include the plural number and vice versa, words importing one gender include all genders, words importing persons include bodies corporate and unincorporated associations;

references to the transfer of a Share include the transfer or other disposal of any beneficial interest in that Share; and

references to an employee include a consultant and a director and references to a contract of, or to the commencement or cessation of, employment include a contract for, or the commencement or cessation of, such a consultancy or directorship.

- (2) Headings to these articles are inserted for convenience only and shall not affect construction.

SHARE CAPITAL

3. (1) The authorised share capital of the Company at the date of adoption of these articles is £6,000 divided into 393,600 A Shares; 60,000 B Shares, 84,000 C Shares and 62,400 D Shares.
- (2) If a B Shareholder acquires any beneficial interest in A Shares, C Shares or D Shares, the A Shares, C Shares or D Shares held legally or beneficially by that B Shareholder shall automatically be redesignated as B Shares.

SHARE RIGHTS

4. (1) The A Shares, the B Shares, the C Shares and the D Shares shall be separate classes of shares and shall carry the rights and be subject to the restrictions set out in these articles but shall rank *pari passu* in all other respects.
- (2) The C Shares shall not entitle the holders thereof to attend, speak or vote at any general meeting of the Company or at any meeting of a separate class of shareholders of the Company.
- (3) The D Shares shall have the same rights and be subject to the same restrictions as the A Shares except for the declaration of dividends which shall be declared separately in relation to the A Shares and the D Shares.
5. (1) * The directors are generally and unconditionally authorised, in accordance with section 80 of the Act, to exercise all the powers of the Company to allot relevant securities up to a maximum nominal amount of £6,000.
- (2) The authority contained in paragraph (1) shall expire on the day five years after the date of adoption of these articles but the Company may, before the authority expires, make an offer or agreement which would or might require relevant securities to be allotted after it expires.

VARIATION OF RIGHTS

6. (1) All or any of the rights for the time being attached to any class of shares in issue may from time to time (whether or not the Company is being wound up) be varied with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class and for the purpose of this clause, the A Shares and the D Shares shall be one class and the variation of the rights of the A Shares and the D Shares shall require the consent in writing of the holders of three-fourths in nominal value of the aggregate issued shares of those classes.
- (2) Unless otherwise expressly provided by the terms of their issue, the rights attached to any class of shares shall not be deemed to be varied or abrogated by the creation or issue of further shares ranking *pari passu* with them.

TRANSFER OF SHARES

- 7.(1)(a) The A Shares and the D Shares may be transferred by an A Shareholder or a D Shareholder (as appropriate) only in accordance with this article or articles 11 or 12 and the B Shares may be transferred by a B Shareholder only in accordance with article 12 unless in each case all of the A Shareholders and the B Shareholders resolve otherwise.
- (b) For so long as they are held by the trustees of an employee share ownership trust established by the Company (the "EBT"), any of the C Shares may be freely transferred at any time by the trustees to the beneficiaries of the EBT from time to time in accordance with the rules of the EBT.

- (2) Shares may be transferred in accordance with the following subparagraphs:
- (a) a member may transfer any of his Shares to the trustees of his Family Trust;
 - (b) the trustees of a Family Trust may, on any change of trustees, transfer any Share held by them in that capacity to the new trustees of that Family Trust;
 - (c) the trustees of a Family Trust may also transfer any of the Shares held by them in that capacity to a person who has an immediate beneficial interest under the Family Trust;
 - (d) Shares may be transferred by a member to a person who is to hold such Shares as his nominee but any transfer by such nominee shall be subject to the same restrictions as though it was a transfer by the original member himself;
 - (e) Shares may be transferred without restriction by a nominee to the beneficial owner of such Shares or to another nominee of the same beneficial owner;
 - (f) Shares may be transferred by a corporate member to another member of its wholly-owned group; and

but a trustee of a Family Trust may not transfer Shares subject to that trust except where permitted under subparagraphs (b) or (c).

- (3) If any Family Trust whose trustees hold Shares in the Company ceases to be a Family Trust, the trustees shall without delay notify the Company that such event has occurred and shall give a Transfer Notice in respect of those Shares and, if the trustees fail to give a Transfer Notice, they shall be deemed to have served the Company with a Transfer Notice in respect of those Shares.
- (4) If a corporate member holding Shares transferred to it under paragraph (2)(f) ceases to be a member of the same wholly-owned group as the original corporate member who held such Shares, the corporate member then holding those Shares shall without delay notify the Company that such event has occurred and procure that such Shares shall be transferred to a company which remains within the same group as the original corporate member. If such a transfer shall not have been effected within 30 days of the notification to the Company, the holder of the Shares shall be deemed to have served the Company with a Transfer Notice in respect of those Shares.
- (5) If a member, or other person entitled to a Share by transmission, at any time attempts or purports to transfer a Share otherwise than in accordance with these articles he shall be deemed immediately before the attempt to have served the Company with a Transfer Notice in respect of the Share.
- (6) If a Transfer Notice is given or is deemed to have been served on the Company the provisions of the following article shall apply to the relevant Shares. The Specified Price for the purpose of this article shall be the subscription price of the relevant Shares (or such other price as may be agreed by the Board and the person who has given, or deemed to have served on the Company, the Transfer Notice) and the directors shall give notice under paragraph (2) of the following article as soon as the Specified Price is ascertained. A Transfer Notice (if not actually given) shall be deemed to have been received by the

Company on the date on which the directors receive actual notice of the relevant event or require the giving of the Transfer Notice, as the case may be.

(7) In this article:

"Fair Price" means the price which the auditors of the Company state in writing to be in their opinion the fair value of the Shares concerned on a sale as between a willing seller and a willing purchaser and in determining such fair value the auditors shall be instructed in particular:

- (i) to disregard whether such Shares represent a minority interest;
- (ii) to take no account of whether such Shares carry the right to more than 50 per cent. of the total number of votes which may be cast on a poll at a general meeting of the Company;
- (iii) if the Company is then carrying on business as a going concern, to assume that it will continue to do so,

and in stating the Fair Price the auditors (whose charges shall be borne by the Company) shall be considered to be acting as experts and not as arbitrators and their decision shall be final and binding on the Shareholders;

"Family Trust" means a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) under which no immediate beneficial interest in the Shares in question is for the time being or may in future be vested in any person other than a member or a former member; and

"wholly-owned group" means a body corporate and any holding company of which it is a wholly-owned subsidiary and any other wholly-owned subsidiaries of that holding company (including any wholly-owned subsidiary of the body corporate).

8. (1) Except as provided in these articles and subject to the provisions of articles 11 and 12, no member, or person entitled to Shares in the Company by transmission, shall be entitled to transfer his Shares without first offering them for transfer to the holders of the other Shares in the Company whether or not of the same class. The offer may be in respect of all or part only of the Shares held by the proposing transferor and shall be made by the proposing transferor by notice in writing to the Company (a **"Transfer Notice"**).
- (2) The Transfer Notice shall specify the Shares offered (the **"Offered Shares"**) and the price at which they are offered (the **"Specified Price"**). The Transfer Notice shall constitute the directors as the agent of the proposing transferor for the sale of the Offered Shares to other holders of Shares whether or not of the same class at the Specified Price. The Transfer Notice may contain a provision that, unless all the Offered Shares are sold under this article, none shall be sold. The Transfer Notice may not be revoked unless the directors otherwise decide.
- (3) On receipt by the Company of the Transfer Notice the directors shall as soon as practicable give notice to all the holders of Shares (other than the proposing transferor) of the number and description of the Offered Shares and the Specified Price. The notice shall invite each

of the members to state in writing to the Company within 30 days whether he is willing to purchase any, and if so what maximum number, of the Offered Shares. The directors shall at the same time give a copy of the notice to the proposing transferor.

A person who expresses a willingness to purchase Offered Shares is referred to below as a "Purchaser".

- (4) On the expiration of the 30 day period the directors shall allocate the Offered Shares to or amongst the Purchasers and such allocation shall be made so far as practicable as follows:
 - (a) Offered Shares shall only be allocated to Purchasers who are not holders of Shares of the same class as the Offered Shares to the extent that any remain unallocated after satisfaction of the requests of the Purchasers who are holders of Shares of the same class as the Offered Shares;
 - (b) allocations between Purchasers shall in the case of competition be made pro rata to the nominal amount of Shares of the same class as the Offered Shares held by them (or if no such class is held by the relevant Purchasers, pro rata to the nominal amount of Shares of any class held by them) but no allocation shall exceed the maximum number of Offered Shares which a Purchaser shall have expressed a willingness to purchase; and
 - (c) if the Transfer Notice states that the proposing transferor is not willing to transfer part only of the Offered Shares, no allocation will be made unless all the Offered Shares are allocated.
- (5) On the allocation being made, the directors shall give details of the allocation in writing to the proposing transferor and each Purchaser and, on the seventh day after such details are given, the Purchasers to whom the allocation has been made shall be bound to pay the purchase price for, and to accept a transfer of, the Offered Shares allocated to them respectively and the proposing transferor shall be bound, on payment of the purchase price, to transfer the Offered Shares to the respective Purchasers to whom the allocation has been made.
- (6) If after becoming bound to transfer any Offered Shares the proposing transferor fails to do so, the Company may receive the purchase price and the directors may appoint a person to execute an instrument of transfer of those Offered Shares in favour of the Purchasers to whom the allocation has been made and shall cause the names of the Purchaser to be entered in the register of members of the Company as the holders of the Offered Shares and shall hold the purchase price in trust for the proposing transferor. The receipt of the Company shall be a good discharge to the Purchaser and, after his name has been entered in the register of members of the Company under this provision, the validity of the transactions shall not be questioned by any person.
- (7) If, following the expiry of the 30 day period referred to in paragraph (4), any of the Offered Shares have not been allocated under that paragraph, the proposing transferor may (subject to the provisions of article 11) at any time within a period of 90 days after the expiry of the 30 day period transfer the Offered Shares not allocated to any person and at any price (being not less than the Specified Price) provided that:



- (a) if the Transfer Notice contained a provision that, unless all the Offered Shares are sold under this article, none shall be sold, he shall not be entitled to transfer any of the Offered Shares unless all the Offered Shares are so transferred; and
 - (b) the directors may require to be satisfied that those Shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to the purchaser and, if not so satisfied, may refuse to register the instrument of transfer (without prejudice, however, to the directors' absolute discretion to refuse to approve or register any transfer of Shares in the circumstances described in article 10).
9. (1) Regulations 29, 30 and 31 of Table A shall be applied subject to the provisions of paragraph (2) and of article 11.
- (2) A person entitled to a Share by transmission or in consequence of the bankruptcy of a member shall be bound at any time (in the case of bankruptcy) and at any time after two years from the date of death of the relevant Shareholder (in the case of transmission), if and when required in writing by the Board so to do, to give a Transfer Notice in respect of such Share, and if such person fails to give a Transfer Notice, he shall be deemed to have served the Company with a Transfer Notice in respect of that Share. The provisions of the preceding article shall apply to the Share and the Transfer Notice; the Transfer Notice (if not actually given) shall be deemed to have been received by the Company on the date on which the directors required the Transfer Notice to be given and the Specified Price shall be the Fair Price as at the date on which the Transfer Notice is either actually given or deemed to have been received by the Company and the directors shall give notice under paragraph (3) of the preceding article as soon as the Specified Price is ascertained.
- 10.(1) The directors shall refuse to register a proposed transfer not made under or permitted by these articles.
- (2) The directors may also refuse to register a transfer of a Share on which the Company has a lien.
- (3) A person executing an instrument of transfer of a Share is deemed to remain the holder of that Share until the name of the transferee is entered in the register of members of the Company in respect of it.
- (4) The first sentence of Regulation 24 of Table A shall not apply.

LEAVER PROVISIONS

- 11.(1)(a) For the purposes of this article:

"Leaver" means any person who is at the date of adoption of these articles or who later becomes an employee of the Company or any of its subsidiaries and who subsequently ceases to be so employed for any reason (including death or a subsidiary of the Company ceasing to be a subsidiary of the Company) and, for the purposes of this article, a reference to a Leaver shall include a reference to any person who holds Leaver's Shares in respect of that Leaver; and



"Leaver's Shares" means at the date a person becomes a Leaver:

- (i) A Shares held by the Leaver;
 - (ii) A Shares which have been transferred by the Leaver in accordance with article 7(2) or transferred subsequently in accordance with article 7(2) ("Transferred Shares");
 - (iii) A Shares which have been allotted in respect of Transferred Shares ("Derived Shares"); and
 - (iv) Derived Shares which have been transferred in accordance with article 7(2).
- (b) The following provisions of this article 11 shall be subject to the provisions of article 11(9).
- (2) The transfer of A Shares or D Shares or allotment of A Shares or D Shares in respect of A Shares or D Shares held by an employee of the Company or any of its subsidiaries or by a transferee of such an employee under article 7(2) shall only be permitted if the proposed transferee or allottee acknowledges that the A Shares to be transferred or allotted to him are subject to the provisions of this article.
- (3) (a) The provisions of this article 11(3) shall apply to any Leaver who shall cease to be employed by a Group Company as a result of:
- (i) a subsidiary of the Company ceasing to be a subsidiary of the Company or the disposal by any such subsidiary of its assets or business;
 - (ii) wrongful dismissal;
 - (iii) death;
 - (iv) incapacity;
 - (v) retirement at normal retirement age;
 - (vi) resignation with the consent of the Board; or
 - (vii) the non-renewal of his contract of employment with the Company or any of its subsidiaries in circumstances in which his existing contract of employment has terminated otherwise than as a result of a breach thereof by the Leaver.

They shall also apply to a Leaver who ceases to be employed after a period of 24 months from the date of his initial subscription for Shares or the date on which Shares were transferred to him if his employment ceases as a result of his resignation without the consent of the Board in order to accept an offer of employment which he may have received from a party which does not compete with any business of the Company or any of its subsidiaries.

- (b) If the Leaver, at the date of cessation of his employment with the Company (otherwise than as a result of his death), is an executive director, notwithstanding any provision of any service agreement between him and the Company or any of its subsidiaries, he

shall resign his office as an executive director or he may remain in office but in a non-executive capacity from that date if he holds 5 per

cent. or more of the issued share capital of the Company but he shall resign as a director if at any time his shareholding shall fall below 5 per cent. of the issued share capital of the Company.

- (c) Following the cessation of employment of a Leaver, subject to article 7(1), no transfer of any of the Leaver's Shares shall be permitted except pursuant to this article.
- (d) If a Leaver wishes to dispose of the Leaver's Shares, he shall endeavour to agree with the Board an appropriate method of achieving a disposal of the Leaver's Shares over a period of two years from the date of cessation of his employment and the value of those Shares. If the Board and the Leaver shall agree upon an appropriate method of disposal of and price for the Leaver's Shares, the Leaver shall be permitted to transfer those Leaver's Shares accordingly to such persons (being either the trustees of the EBT or employees of the Company or any of its subsidiaries or persons who intend subsequently to transfer those shares to employees of the Company or any of its subsidiaries or any other person as the Board, with the prior consent of the Majority Holders, may decide) as the Board shall direct.
- (e) If the relevant Leaver and the Board shall fail to agree upon a price for the Leaver's Shares or an appropriate method of disposal of those Shares, the relevant Leaver shall be entitled to request the Board to instruct the auditors to ascertain the Fair Price of the Leaver's Shares. The auditors' costs in ascertaining the Fair Price of the Leaver's Shares shall be borne by the Company. If the Leaver accepts the Fair Price so ascertained by the auditor and the Board and the Leaver agree upon an appropriate method of disposal of the Leaver's Shares, the Leaver shall be permitted to transfer those Leaver's Shares accordingly to such persons (being either the trustees of the EBT or employees of the Company or any of its subsidiaries or persons who intend subsequently to transfer those shares to employees of the Company or any of its subsidiaries or any other person as the Board, with the prior consent of the Majority Holders, may decide) as the Board shall direct.
- (f) If the Leaver shall be dissatisfied with the Fair Price of the Leaver's Shares so ascertained by the auditors or if the Board and the Leaver do not agree upon an appropriate method of disposal, the Leaver shall be entitled to invite offers for those Shares from third party investors provided however that the Leaver shall give the Board 14 days written notice of his intention to approach any such third party investor (giving full details of the identity of the proposed investor) and the Board may, in its absolute discretion, prohibit the Leaver from approaching that investor for the purpose of disposing of his Leaver's Shares or from disclosing any information concerning the Group or its businesses to that investor and the Board may, in its absolute discretion, refuse to register any transfer of the Leaver's Shares to any third party.
- (g) In the event that the Leaver is unable to dispose of his Leaver's Shares in accordance with paragraphs (d), (e) or (f) above, he shall be obliged (subject to article 7) to retain those Leaver's Shares but may, following the expiry of a period of two years from the date of ascertainment of the Fair Price of the Leaver's Shares referred to in paragraph (e) above, request the Board to instruct the auditors to ascertain the Fair Price of the



Leaver's Shares (as at the date upon which that period of two years shall expire) in accordance with that paragraph and the provisions of paragraphs (d), (e) and (f) and of this paragraph shall apply in respect of that request.

- (4) (a) The provisions of this article 11(4) shall apply to any Leaver who shall cease to be employed by a Group Company for any reason not within the circumstances described in article 11(3)(a).
- (b) Immediately upon such a person becoming a Leaver:
- (i) unless the Board otherwise resolves, any Transfer Notice previously issued or deemed issued in relation to the Leaver's Shares shall be cancelled (unless all the Shares subject to it have already been sold) and no further Transfer Notice shall be issued or deemed to be issued in respect of the Leaver's Shares (except under paragraph (b)); and
- (ii) if the Board so resolves, the Leaver shall, and each person holding any Leaver's Shares shall, in respect of the Leaver's Shares held by him, be deemed to have authorised the directors to transfer the Leaver's Shares to such persons (being either the trustees of the EBT or employees of the Company or any of its subsidiaries or persons who intend subsequently to transfer those Shares to employees of the Company or any of its subsidiaries or any other person as the Board, with the prior consent of the Majority Holders, may decide) as the Board may nominate within 30 days of such resolution.
- (5) On a transfer under article 11(4) the price per Share shall be the Subscription Price. If, in any particular case, the Board so decides, there shall be substituted for that price such price as the Board may agree with the transferor.
- (6) None of the Shares to which article 11(4) applies nor any Leaver's Shares of an employee who becomes a Leaver as a result of his death shall, until transferred in accordance with this article, entitle the transferor of such Shares to receive notice of, attend or vote at any general meeting of the Company or meeting of the holders of Shares of the same class and such Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or for the purposes of a written resolution of any members or class of members provided that all Shares so disenfranchised shall on a transfer in accordance with these articles be re-enfranchised.
- (7) Any of the provisions of this article (other than article 11(1)(b) and article 11(9)) may at any time be waived in whole or part by the Board.
- (8)(a) Any transfer by or on behalf of a Leaver of Leaver's Shares in accordance with this article shall comprise the entire number of Leaver's Shares held by him or on his behalf unless the Board shall in its absolute discretion determine otherwise; and
- (b) For the purposes of this article only, the determination by the auditors of the Company of the Fair Price shall not be a final and binding decision on the Shareholders and the auditors shall not be considered to have acted as experts in reaching such determination.



- (9)(a) In effecting any acquisition of Leaver's Shares, the Company may purchase or redeem such Shares provided that
- (i) such purchase or redemption does not result in any diminution in the aggregate value of the Warrants or, following subscription of the Warrants, in the aggregate value of the B Shares; and
 - (ii) such purchase or redemption is in respect of the Leaver's Shares of the first Leaver ceasing to be employed by a Group Company following the date of adoption of these articles as a result of any of the circumstances set out in article 11(3)(a) (the "First Leaver").
- (b) The Company may only resolve to purchase or redeem Leaver's Shares of any Leaver ceasing to become an employee after the First Leaver so ceases if:
- (i) the holders of at least 75% of the outstanding Subscription Rights (as defined in the Warrant Instrument) or, following subscription of the Warrants, of at least 75% of the B Shares in issue at the time, have given their prior consent and;
 - (ii) the Company acquires the Warrants or, following subscription of the Warrants, the B Shares on equal terms as if the A Shares or D Shares and the Warrants, or, as the case may be, the B Shares were one class, if so requested by the Warrantholders or, as the case may be, the B Shareholders.
- (c) The provision of this article 11(9) shall only apply whilst at least 75% of the outstanding Subscription Rights (as defined in the Warrant Instrument) or, following subscription of the Warrants, at least 75% of the B Shares in issue at the time are beneficially owned by a member of the National Westminster Bank plc group of companies.

CHANGE OF CONTROL

- 12.(1) Notwithstanding the provisions on the transfer of Shares in these articles, no transfer of Shares which would result, if made and registered, in a person obtaining or increasing a Controlling Interest, shall be made or registered unless that person makes an Approved Offer.
- (2) For the purposes of this article:
- "Approved Offer" means an offer in writing for all the Shares on equal terms as if the Shares were one class (unless in the case of a particular member less favourable terms are agreed in writing) and which:
- (a) is stipulated to be open for acceptance for at least 21 days;
 - (b) includes an undertaking by the offeror that neither it nor any person acting by agreement or understanding with it have entered into more favourable terms or have agreed more favourable terms with any other member for the purchase of Shares;
 - (c) provides for all arrears of dividend to be paid; and

(d) has been approved by the Board; and

"Controlling Interest" in relation to a person means the ownership by that person and his or its connected persons (as defined in section 839 of the Income and Corporation Taxes Act 1988) of Shares carrying the right to more than 50 per cent. of the total number of votes which may be cast on a poll at a general meeting of the Company;

- (3) Any transfer of Shares pursuant to an Approved Offer shall not be subject to the restrictions on transfer contained in these articles.
- (4) If a member does not accept an Approved Offer in accordance with its terms by the first closing date of the Approved Offer and the Majority Holders accept the Approved Offer, the Board may authorise a person to execute on behalf of such member a form of acceptance of the Approved Offer and/or a transfer of Shares in favour of the offeror (or as he may nominate) and the consideration for the Shares may be received by the Company on behalf of any such member. Upon the Company receiving such consideration and transfer (duly stamped) the offeror or its nominee shall be entered in the register of members of the Company. The certificate(s) in respect of any Shares so transferred, in the name of the original member, shall be deemed to be cancelled and a new certificate shall be issued in the name of the offeror or its nominee. The receipt of the Company for the consideration shall be a good discharge to the offeror who shall not be bound to see to the application of it, and after such registration in exercise of the above powers the validity of the proceedings shall not be questioned by any person. The Company shall hold the said consideration on behalf of any such member in a separate bank account on trust for the relevant member pending delivery up of the cancelled certificate(s).
- (5) (a) In the event that the Majority Holders shall at any time decide to dispose of the Shares held by them, they shall request the Board in writing to commission a review by an appropriate professional person of the methods of achieving a disposal of the Shares held by them over a period of 18 months from the date of the review and of the value of the Company and of those Shares.
- (b) Following receipt of that review, the Board and the Majority Holders shall endeavour to effect a disposal of the Shares held by the Majority Holders in accordance with the provisions of that review and the provisions of Articles 12(1) to 12(4) (inclusive) shall apply to any such disposal. In the event that no such disposal shall have been completed within 18 months from the date of the review (or such later time as the Board and the Majority Holders may agree), the Majority Holders shall be entitled to invite offers from bona fide arm's length third party investors for the entire issued share capital of the Company valuing the shares in the Company on the same basis and with the resulting valuation being divided by the number of shares issued or to be issued to arrive at a price per share. The foregoing provisions of this article shall apply to any offer received by the Majority Holders as if that offer was an Approved Offer for the purposes of article 12(2).

MEETINGS

- 13.(1) No business shall be transacted at any general meeting unless a quorum is present. Two members present in person or by proxy or by a duly authorised representative (in the case of

a corporation) shall be a quorum at any general meeting. Regulation 40 of Table A shall not apply.

- (2) If at any adjourned meeting such a quorum is not present within thirty minutes from the time appointed for the adjourned meeting the meeting shall be dissolved. Regulation 41 shall be amended accordingly.
- 14.(1) A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote. Regulation 46 of Table A shall be amended accordingly.
- (2) The chairman at any general meeting shall not be entitled to a second or casting vote. Regulation 50 of Table A shall not apply.
- 15.(1) A general meeting or a meeting of any class of members of the Company may consist of a conference between members some or all of whom are in different places provided that each member who participates is able:
 - (a) to hear each of the other participating members addressing the meeting; and
 - (b) if he so wishes, to address all of the other participating members simultaneouslywhether directly, by conference telephone or by any other form of communications equipment (whether or not in use) at the date of adoption of these articles or by a combination of those methods.
- (2) A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of members required to form a quorum.
- (3) A meeting held in this way is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.
- (4) A resolution put to the vote of a meeting shall be decided by each member indicating to the chairman (in such manner as the chairman may direct) whether the member votes in favour of or against the resolution or abstains. Regulation 46 of Table A shall be amended accordingly.
- (5) References in this article to members shall include their duly appointed proxies and, in the case of corporate members, their duly authorised representatives.
- 16.(1) In addition to any provisions of the Statutes, the directors shall forthwith convene an extraordinary general meeting of the Company on the requisition of the Majority Holders such meeting to be convened for such date as is specified in the requisition or as soon thereafter as the Statutes permit.
- (2) The requisition must state the objects of the meeting, be signed by the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form each signed by one or more requisitionists.



- (3) If the directors do not, within seven days from the date of the deposit of the requisition, convene a meeting in accordance with this article, the requisitionists, or any of them representing a majority of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from that date.
- (4) A meeting convened under this article by requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are convened by directors.
- (5) Any reasonable expenses incurred by the requisitionists by reason of the failure of the directors to convene a meeting in accordance with this article shall be reimbursed by the Company. Any sum so reimbursed shall be retained by the Company out of any sums due or to become due from the Company to such of the directors as were in default by way of fees or other remuneration in respect of their services.

SHAREHOLDERS' RESOLUTIONS

17. A resolution in writing signed or approved by letter, facsimile, telegram or telex by or on behalf of all the members of the Company who would be entitled to vote on it if it had been proposed at a general meeting or at a meeting of any class of members of the Company shall be as valid and effectual as if it had been passed at a general meeting or at such class meeting (as the case may be) duly convened and held. The resolution may be contained in one document or in several documents in like form each stating the terms of the resolution accurately and signed by or on behalf of one or more of the members. This article is in addition to, and not limited by, the provisions in sections 381A, 381B and 381C of the Act. Regulation 53 of Table A shall not apply.

VOTES OF MEMBERS

- 18.(1) A proxy appointed by a member of the Company under section 372 of the Act may vote on a show of hands as well as on a poll, but no person present shall be entitled to more than one vote on a show of hands. Regulation 54 of Table A shall be amended accordingly.
- (2) The instrument appointing a proxy and any authority under which it is executed (or such copy of the instrument or the authority or both as the directors may approve) may be deposited at the place where the meeting or adjourned meeting is to be held at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. This provision is in addition and without prejudice to the provisions of paragraphs (a), (b) and (c) of regulation 62 of Table A and the last provision of regulation 62 shall be amended accordingly.

DIRECTORS

- 19.(1) The number of directors shall be not less than two and no more than ten. Regulation 64 of Table A shall not apply.
- (2) The Majority Holders may appoint any person as a director of the Company and may remove any director. Any appointment or removal shall be made in writing signed by the Majority Holders and, in the case of a body corporate holding any of the Shares, the signature of any officer or other duly appointed representative shall suffice. Any

appointment or removal shall take effect when it is lodged at the office or produced at any meeting of the directors.

- (3) The directors may appoint any person who is willing to act to be a director, either to fill a casual vacancy or as an additional director.
- (4) If the holders of at least 75% of the outstanding Subscription Rights (as defined in the Warrant Instrument) or, following subscription of the Warrants, 75% of the B Shares in issue at the time, are members of the National Westminster Bank plc group of companies, then such holders shall be entitled:
 - (i) following consultation with the Board, to appoint any person as a non-executive director of the Company and to remove any such director and to replace him. The provisions in article 19(2) as to the procedure for the appointment and removal of directors shall also apply to the appointment and removal of a director pursuant to this paragraph; and
 - (ii) to be represented by an individual who may attend each meeting of the directors to observe the proceedings. The representative shall not have a right to speak or vote.
- (5) In addition to the circumstances set out in regulation 81 of Table A the office of a director shall be vacated if he is removed from that office in accordance with this article.
- (6) The directors shall not be subject to retirement by rotation and Regulations 73 to 80 (inclusive) and the last sentence of regulation 84 of Table A shall not apply.
- (7) No special notice is required of any resolution appointing or approving the appointment of such a director nor is any notice required to state the age of the person to whom the resolution relates.

ALTERNATE DIRECTORS

- 20.(1) In addition to the persons mentioned in regulation 65 of Table A, any director may appoint any person approved by a majority of the other directors to act as an alternate director.
- (2) An alternate director shall be entitled to receive notice of all meetings of the directors, to attend and to vote at any such meeting at which the director appointing him is not personally present and at that meeting to exercise and discharge all the functions, powers and duties of his appointor as a director and for the purposes of the proceedings at that meeting the provisions of these articles shall apply as if he were a director. Regulation 66 of Table A shall not apply.
- (3) Every person acting as an alternate director shall have one vote for each director for whom he acts as alternate, in addition to his own vote if he is also a director, but he shall count as only one for the purpose of determining whether a quorum is present. The last sentence of each of regulations 88 and 89 of Table A shall not apply.
- (4) Any person appointed as an alternate director shall vacate his office as an alternate director if the director by whom he has been appointed ceases to be a director or removes him or on the happening of any event which, if he is or were a director, causes or would cause him to vacate that office. Regulation 67 of Table A shall not apply.



- (5) An alternate director shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of the director appointing him. Regulation 69 of Table A shall not apply.

POWERS OF DIRECTORS

- 21.(1) The powers of the directors mentioned in regulation 87 of Table A shall be exercisable as if the word "executive" (which appears before the word "office") were deleted.
- (2) Without prejudice to any other of their powers, the directors may exercise any of the powers conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries.

PROCEEDINGS OF DIRECTORS

22. A director who is in any way, whether directly or indirectly, interested in any contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company shall declare the nature and extent of his interest at a meeting of the directors in accordance with the Act. Subject, where applicable, to such disclosure, a director may vote as a director on a resolution concerning any matter in which he has, directly or indirectly, an interest and, if he votes, his vote shall be counted and he shall be counted in the quorum when that resolution or matter is under consideration. Regulations 94 to 96 (inclusive) of Table A shall not apply.
23. Notices of meetings of the directors shall be given to all directors and to any alternate directors appointed by them. At least 72 hours notice shall be given unless in any particular case a majority of the directors shall agree otherwise. Regulation 88 of Table A shall be amended accordingly.
- 24.(1) If a quorum is not present or ceases to be present at a meeting of the directors, the meeting shall be adjourned to the same day in the next week at the same time and place.
- (2) In the case of an equality of votes at any meeting of the directors, the chairman of the meeting shall not have a second or casting vote. Regulation 88 of Table A shall be amended accordingly.
25. Regulation 93 of Table A (written resolutions of directors) shall apply as if the word "signed" included "approved by letter, facsimile or telex".
- 26.(1) A meeting of the directors may consist of a conference between directors some or all of whom are in different places provided that each director who participates is able:
- (a) to hear each of the other participating directors addressing the meeting; and
- (b) if he so wishes, to address all of the other participating directors simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether or not in use at the date of adoption of these articles) or by a combination of those methods.

- (2) A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of directors required to form a quorum.
- (3) A meeting held in this way is deemed to take place at the place where the largest group of participating directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

SEAL

- 27.(1) The Company may exercise the powers conferred by the Statutes with regard to having official seals and those powers shall be vested in the directors.
- (2) The directors shall provide for the safe custody of every seal which the Company may have.
- (3) A seal shall be used only by the authority of the directors or a duly authorised committee but that authority may consist of an instruction or approval given by letter, facsimile, telegram, telex or telephone by a majority of the directors or of the members of a duly authorised committee.
- (4) The directors may determine who shall sign any instrument to which a seal is applied, either generally or in relation to a particular instrument or type of instrument, and may also determine, either generally or in any particular case, that such signatures shall be dispensed with or affixed by some mechanical means.
- (5) Unless otherwise decided by the directors:
 - (a) certificates for Shares, debentures or other securities of the Company to which a seal is applied need not be signed; and
 - (b) every other instrument to which a seal is applied shall be signed by at least one director and the secretary or by at least two directors.
- (6) Certificates for shares, debentures or other securities of the Company need not be sealed with the seal but may be signed on behalf of the Company by at least one director and the secretary or by at least two directors or by such other person or persons as may be authorised by the directors for that purpose. Regulation 6 of Table A shall be amended accordingly. Regulation 101 of Table A shall not apply.

NOTICES

- 28.(1) The Company may give any notice to a member either personally or by sending it by prepaid first class post or facsimile transmission to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.

(2) Regulation 112 of Table A shall not apply.

29.(1) Proof that:

- (a) an envelope containing a notice was properly addressed, prepaid and posted (by first class post, where available); or
- (b) a facsimile transmission setting out the terms of a notice was properly addressed and despatched

shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiry of 24 hours after the envelope containing it was posted or, in the case of facsimile transmission, when despatched.

(2) Regulation 115 of Table A shall not apply.

INDEMNITY

30.(1) Subject to the provisions of and to the extent permitted by the Statutes, every director, other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or offices, but:

- (a) this indemnity shall not apply to any liability to the extent that it is recovered from any other person; and
- (b) the indemnity is subject to such officer or auditor taking all reasonable steps to effect such recovery, so that the indemnity shall not apply to the extent that an alternative right of recovery is capable of being enforced.

(2) Regulation 118 of Table A shall not apply.