

**PRINT OF SPECIAL RESOLUTION**



**Company Number 3722366**

**Company Limited by Shares  
Special Resolution  
of  
OKA DIRECT LIMITED**

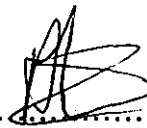
At an extraordinary general meeting of the Company duly convened and held at 5 Chester Street, London, SW1 on 1 May 2001 the following resolution was duly passed as a special resolution

**Special Resolution**

That:-

- (a) the authorised share capital of the Company be increased from £10,000 to £20,000 by the creation of 250,000 M shares of 1p each and 750,000 A ordinary shares of 1p each having the rights attached thereto as set out in the articles of association adopted pursuant to part (c) of this resolution;
- (b) the directors be and they are hereby generally and unconditionally authorised for the purposes of s.80 of the Companies Act 1985 to allot relevant securities (within the meaning of that section), or to grant any right to subscribe for or to convert any security into relevant securities, in the Company up to a maximum nominal amount of £20,000 at any time or times during the period from the date of the passing of this resolution up to and including 31 December 2005. On 31 December 2005 the authority given by this resolution shall expire save that the Company may before expiry of the authority make any offer or agreement which would or might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after the expiry of the authority;

- (c) the regulations contained in the printed document marked "A" now produced to the meeting and for the purposes of identification initialled by the chairman be and they are hereby 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;
- (d) the proposed issue of £432,000 Convertible Loan Stock by the Company be approved and the Directors be and they are hereby authorised and directed to issue A Ordinary Shares of 1p each and/or M Shares of 1p each to holders of such Convertible Loan Stock who exercise their rights of conversion in accordance with the conditions attached to the Convertible Loan Stock.



.....  
Chairman

1 May 2001

# THE COMPANIES ACTS 1985 - 1989

Company limited by shares

## ARTICLES OF ASSOCIATION

of

OKA DIRECT LIMITED

(adopted by special resolution passed 1 May 2001)

### PRELIMINARY

- 1 References herein to "the Act" are to the Companies Act 1985 and/or to any statutes from time to time supplementing, re-enacting, amending or replacing that Act.
- 2 Subject as hereby varied or excluded, the regulations in Table A of the Companies (Tables A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985) shall apply to the Company and references in these articles to "Table A" shall be construed accordingly.

### SHARE CAPITAL

- 3 The authorised share capital of the Company is £20,000 divided into 500,000 'M' Shares of 1p each ("M Shares"), 750,000 ordinary Shares of 1p each ("Ordinary Shares") and 750,000 A Ordinary Shares of 1p each ("A Ordinary Shares").

The M Shares, the Ordinary Shares and the A Ordinary Shares shall rank pari passu in all respects save that the provisions of the schedule to these Articles shall apply in the event of an Exit as defined therein.

- 4 (A) Subject to any direction to the contrary that may be given by the Company in general meeting by ordinary resolution, after the first allotment the unissued shares of the Company (whether forming part of the original or any increased capital) shall, before use, be offered for application either at par or at such premium as the directors may think fit to the existing members on terms that in the case of applications being received for more than the total number of shares so offered the shares shall be allotted to the members applying for allotment in proportion (as nearly as may be and without increasing the number allotted to any member beyond the number applied for by him) to the amount of the existing shares of which they are the holders. The offer shall be made by notice specifying the number of

shares offered, and limiting a time (being not less than 14 days) within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the persons to whom the offer is made that they decline to accept the shares offered, the directors may thereafter dispose of the shares which shall not have been accepted in accordance with the provisions of paragraph (B) of this article. This paragraph (A) shall not apply so as to confer any rights in respect of any issue of shares or grant of options in respect of shares in the Company on any member who has in respect of such issue expressly waived his rights hereunder in writing.

- (B) In accordance with s.80 of the Act but subject as aforesaid the directors are generally and unconditionally authorised to allot, grant options over or otherwise dispose of the unissued shares of the Company (whether forming part of the original or any increased capital) at such times, for such consideration and upon such terms and conditions as they may determine, but so that no shares shall be issued at a discount except in accordance with the Act. This authority applies to unissued shares of a par value not exceeding £10,000 and for a period not exceeding 5 years from the date of the adoption of these articles.
- (C) In accordance with s.91 of the Act, sub-section (1) of s.89 and sub-sections (1) to (6) of s.90 thereof shall not apply to the Company.
- (D) References in this article to shares shall include relevant securities as defined in sub-section (2) of s.80 of the Act.

## **LIEN**

- 5 The Company shall have a first and paramount lien on every share (whether or not a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares standing registered in the name of any member whether alone or jointly with other members for all monies presently payable by him or his estate to the Company; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this article. The Company's lien, (if any) on a share shall extend to all dividends payable thereon.

## **TRANSFER AND TRANSMISSION OF SHARES**

- 6 (A) Any shares in the Company may at any time be transferred or transmitted by a member:
  - (1) (In the case of a member being an individual) to any one or more of his close relatives or to the executors or administrators or trustees for the time being of the estate of a deceased member or of any trust wholly or mainly for the benefit of any of his close relatives. For the

purposes of these articles close relative means any child or other issue, son-in-law, daughter-in-law, father, mother, brother, sister, husband, wife, nephew or niece.

- (2) (In the case of a member being a body corporate) to a member of the same group, which expression means for the purposes hereof a company which is for the time being a holding company of the transferring member or another subsidiary of any such holding company or a subsidiary of the transferring member. Subsidiary and holding company have the meanings respectively ascribed hereto in s.736 Companies Act 1985.

Where shares have been transferred under sub-paragraph (2) (whether directly or by a series of transfers thereunder) from a body corporate ("the transferor company" which expression shall not include a second or subsequent transferor in such a series of transfers) to a member of the same group ("the transferee company") and subsequently the transferee company ceases to be a member of the same group as the transferor company then the transferee company shall forthwith transfer the relevant shares (as hereinafter defined) to the transferor company; and failure so to transfer such shares within 28 days of the transferee company ceasing to be a member of the same group as the transferor company shall result in a Sale Notice being deemed immediately to be given in respect of the relevant shares [at a price equal to the lower of the par value thereof and a price determined in accordance with paragraph (C) of this article 6].

For the purposes of this paragraph the expression "relevant shares" means and includes (so far as the same remain for the time being held by the transferee company) the shares originally transferred to the transferee company and any additional shares issued or transferred to the transferee company by virtue of the holding of the relevant shares or any of them.

- (3) In the case of a holder of M Shares to another holder of M shares with the consent of a majority of the Board.
- (B) Save as mentioned in paragraph (A) of this article or as the Company in general meeting by special resolution may direct or with the written consent of all members entitled to vote at such a general meeting none of the shares of the Company shall be transferred or transmitted except in accordance with the following provisions contained in this article.
- (C) A member wishing to transfer his shares or any of them (hereinafter called "the Vendor") shall give notice in writing (hereinafter referred to as a "Sale Notice") to the Company that he desires to sell the same. Every Sale Notice shall be accompanied by the relevant share certificates and shall constitute the directors of the Company the

agents of the Vendor for the purpose of the sale of such shares ("the Sale Shares") to the other members of the Company at the fair value (as hereinafter defined) and in particular to authorise the execution of transfers in accordance with paragraph (G) of this article. No Sale Notice shall save as hereinafter provided be withdrawn.

- (D) The fair value of the Sale Shares shall for the purpose of this article be fixed within a period of 30 days of the service of the Sale Notice by agreement between the directors and the Vendor or in default of agreement by the auditors for the time being of the Company (who shall be deemed to be acting as experts and not as arbitrators) on the basis of an arms-length sale on a "going-concern" basis as between a willing vendor and a willing third party purchaser.
- (E) Forthwith upon the fair value being fixed as aforesaid the directors shall with a view to finding members willing to purchase the Sale Shares (hereinafter referred to as "Purchasing Members"), offer at the fair value the Sale Shares to the other holders of shares of the same class as the Sale Shares as nearly as may be in proportion to their holdings of shares of such class, and shall limit a time (being not less than 14 days) within which such offer, if not accepted in writing, will be deemed to be declined. If all the Sale Shares are not accepted by the shareholders to whom they shall in the first instance have been offered, the directors shall offer at the fair value those Sale Shares which have not been accepted to the holders of shares of the other class than the Sale Shares as nearly as may be in proportion to their holdings of shares of such class, and shall limit a time (being not less than 14 days) within which such offer, if not accepted in writing, will be deemed to be declined and the directors shall make such arrangements as they shall think just and equitable as regards the finding of Purchasing Members for any shares not accepted by members to whom they shall have been so offered as aforesaid. For the purposes of this Articles 6(3)(E) Ordinary Shares and A Ordinary Shares shall be deemed to be shares of the same class.
- (F) If the directors shall within 75 days after service of such Sale Notice find Purchasing Members in respect of all or any of the Sale Shares they shall give notice in writing thereof (hereinafter referred to as the "Completion Notice") to the Vendor, informing him of the names of the Purchasing Members and the number of shares they are willing to purchase. If the directors shall have found Purchasing Members for some but not all of such shares the Vendor may within 14 days after the service of the Completion Notice give a counter-notice in writing to the directors withdrawing the Sale Notice, but if the directors shall have found Purchasing Members for all such shares or if no such counter-notice shall have been served by the Vendor within the said period of 14 days, the Vendor shall be bound against payment of the fair value (or pro rata portion thereof if only some of the shares are purchased) to transfer the requisite shares to such Purchasing

Members, who shall (subject thereto) be bound to complete the purchase within 28 days from the service of the Completion Notice.

- (G) In the event of the Vendor failing within the said period of 28 days to carry out the sale of any shares which the Vendor shall have become bound to transfer as aforesaid, the directors shall if so required by the Purchasing Members be entitled to and shall forthwith authorise some person to execute a transfer of such shares to the Purchasing Members and to give a good receipt for the purchase price therefor, and shall register the Purchasing Members as holders thereof and issue to them certificates for the same, and thereupon the Purchasing Members shall be indefeasibly entitled thereto.
- (H) If the directors shall not within the period of 75 days after the service of a Sale Notice have given notice in accordance with paragraph (F) of this article that Purchasing Members have been found for all of the Sales Shares and if the Vendor shall not pursuant to paragraph (F) of this article have given any notice to withdraw such Sale Notice, the Vendor shall at any time within 6 months after the expiry of the said period of 75 days be at liberty to sell and transfer to any person or persons at any price not being less than the fair value (or pro rata portion thereof as the case may be) all or any of such shares not so sold as aforesaid.
- (I) Any notice required to be served in accordance with the provision of this article may be served by being left at or sent by first class post in the case of notice to the Company or the directors addressed to the directors at the registered office of the Company, and in the case of notice to the Vendor or any other person addressed to the Vendor or such other person (as the case may require) at his last registered address, and if served by post shall be deemed to be duly served 72 hours after the envelope containing the same and correctly addressed was pre-paid and posted.
- (J) All provisions of this article shall mutatis mutandis apply in the event of any person becoming entitled to a share in consequence of the death or bankruptcy of a member and wishing to transfer such share or himself to be registered in respect thereof, and any request for registration or transfer shall be deemed to be a Sale Notice pursuant to paragraph (C) of this article unless it is permitted transfer or transmission pursuant to paragraph (A).
- (L) If a holder of M Shares also being an employee of the Company shall leave the employment of the Company at any time and for whatever reason he shall be bound forthwith to give to the Company a Sale Notice in respect of the Relevant Percentage of the M Shares registered in his name and in default of such transfer notice being given within one month of the termination of employment the member shall be deemed to have given such notice at the expiration of the said period of one month. All the foregoing provisions of this

Article in relation to a Sale Notice and the procedure to be adopted following the service of such a notice shall apply mutatis mutandis to a notice given pursuant to this paragraph.

The Relevant Percentage for the purposes of this Article means:

100% if the date of termination of employment is within one year from the date of commencement of employment

75% if the date of termination of employment is within two years (but after one year) from the date of commencement of employment

50% if the date of termination of employment is within three years (but after two years) from the date of commencement of employment

25% if the date of termination of employment is within four years (but after three years) from the date of commencement of employment.

- 7 (A) No transfer or transmission of a share other than a transfer or transmission made pursuant to or permitted by the foregoing provisions of article 6 hereof shall be permitted.
- (B) The directors may in their absolute discretion and without assigning any reason therefor decline to register the transfer or transmission of a share on which the Company has a lien and such transfer or transmission shall not then be permitted unless and until the directors determine to allow it.
- 8 Regulation 24 of Table A shall not apply.

#### **PROCEEDINGS AND VOTES AT GENERAL MEETINGS**

- 9 (A) The words "and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum" shall be added at the end of regulation 41 of Table A. If a meeting was convened upon the requisition of members, it shall be dissolved and not adjourned in accordance with regulation 41.
- 10 One member present in person or by proxy may demand a poll and regulation 46 of Table A shall be deemed to be extended accordingly.
- 11 The chairman of a general meeting shall have no second or casting vote and regulation 50 of Table A shall not apply.
- 12 A resolution in writing in accordance with regulation 53 of Table A shall be deemed to have been duly executed on behalf of a corporation if signed by one of its directors or its secretary. In the case of a share held by joint



holders the signature of any one of them shall be sufficient for the purposes of that regulation.

- 13 In regulation 54 of Table A the words "and every proxy, not being himself a member entitled to vote or a representative as aforesaid," shall be added before the words "shall have one vote".

## **DIRECTORS**

- 14 A quorum for the transaction of the business of the directors shall be two directors.
- 15 (A) Regulations 73 to 78 (inclusive) of Table A shall not apply and the directors shall not be liable to retirement by rotation.
- (B) In regulation 79 of Table A all the words of the regulation after the words "annual general meeting" in the fifth line thereof shall be omitted.
- (C) In regulation 80 of Table A the second sentence shall be omitted.
- 16 Any director who by request performs special services or goes or resides abroad for any purposes of the Company shall (unless otherwise expressly resolved by the Company in general meeting) receive such extra remuneration by way of salary, commission, participation in profits or otherwise as the directors may determine, which shall be charged as part of the Company's ordinary working expenses.
- 17 A director who is in any way either directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at a meeting of the directors in accordance with the Act. Subject to such disclosure, a director shall be entitled to vote in respect of any contract or arrangement in which he is interested, and if he does so his vote shall be counted and he may be taken into account in ascertaining whether a quorum is present at any meeting at which any such contract or arrangement shall come before the directors for consideration. Regulations 85, 86 and 94 to 98 inclusive of Table A shall be extended accordingly.
- 18 Paragraph (b) of regulation 81 of Table A shall be amended by the omission of the word "generally".

## **POWERS AND DUTIES OF DIRECTORS**

- 19 The chairman of a meeting of directors or a committee of directors shall have no second or casting vote and regulations 88 and 72 of Table A shall be varied accordingly.
- 20 The directors may pay and agree to pay pensions or other retirement,

superannuation, death or disability benefits or allowances to or to any person in respect of any director or former director who may hold or may have held any executive office or employment under the Company or any subsidiary or associated company of the Company, and for the purpose of providing any such pensions or other benefits or allowances may contribute to any scheme or fund and may make payments towards insurances or trusts in respect of such person. Regulation 87 of Table A shall be extended accordingly.

- 21 A director may participate in a meeting of the directors or of a committee of the directors by telephone or other communication equipment and shall be deemed present in person.

## **INDEMNITY**

- 22 Every director, managing director, executive director, manager, agent, auditor, secretary or other office of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (including any such liability as is referred to in sub-section (3) of s.310 of the Act.) which he may sanction or incur in or about the execution of the duties of his office or otherwise in relation thereto and no such officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. This article shall only have effect so far as its provisions are not avoided by the said s.310. Regulation 118 of Table A shall apply as so extended.

## SCHEDULE

For the purposes of the Schedule:

"A Ordinary Shareholders' Return"	means the total subscription price paid for the Loan Stock increased by 25% per annum on a compound basis from the date of issue of such Loan Stock (such 25% to include any interest paid to such holders of A Ordinary Shares while holders of the Loan Stock);
"Base Return"	means the aggregate of the M Shareholders' Return and the Investors' Return
"Exit"	means a sale of the entire issued share capital of the Company;
"Investors Return"	means the aggregate of the Ordinary Shareholders' Return and the A Ordinary Shareholders' Return;
"Loan Stock"	means the loan stock from which A Ordinary Shares are converted;
"M Shareholders' Return"	means the proportion of the Total Price Paid as the number of M Shares in issue bears to the total number of shares in the Company in issue;
"Ordinary Shareholders' Return"	means the total subscription price paid for the Ordinary Shares increased by 25% per annum on a compound basis from the date of issue of such shares;
"Total Price Paid"	means the total price paid for the entire issued share capital of the Company on an Exit.

1. Subject to paragraph 2 below, on an Exit the holders of the M Shares, the holders of the Ordinary Shares and the holders of the A Ordinary Shares shall be entitled to participate in the Total Price Paid in proportion to their respective holdings of shares (as if the M Shares, the Ordinary Shares and the A Ordinary Shares constituted one class).
2. If the Total Price Paid exceeds the Base Return, the holders of the M Shares, the holders of the Ordinary Shares and the holders of the A Ordinary Shares shall be entitled to participate in the Total Price Paid as follows:
  - 2.1 the holders of the M Shares shall be entitled to receive the aggregate of (a) the M Shareholders' Return, and (b) 70% of the Total Price Paid less

the Base Return;

- 2.2. the holders of Ordinary Shares and the holders of the A Ordinary Shares shall be entitled (subject to paragraph 2.3 below) to receive the aggregate of (a) the Investors' Return, and (b) 30% of the Total Price Paid less the Base Return;
- 2.3 the holders of the Ordinary Shares and the holders of the A Ordinary Shares shall participate in the amount of the Total Price Paid to them under paragraph 2.2 so that (a) the holders of the Ordinary Shares receive the Ordinary Shareholders' Return, (b) the holders of A Ordinary Shares receive the A Ordinary Shareholders' Return, and (c) the excess is divided in proportion to their respective holdings of shares.