

**THE COMPANIES ACT 1985**  
**MEMORANDUM OF ASSOCIATION**  
**OF**

**GOLDSMITHS LIMITED**  
**Company number 03729804**  
(Adopted pursuant to a special resolution dated 13 December 1999)

- 1 The Company's name is Goldsmiths Limited
- 2 The Company's Registered Office is to be situated in England and Wales
- (A) The Company is to be a private limited company
- 3 The Company's objects are
  - (A) To carry on business as a general commercial company
  - (B) To carry on any other business which in the opinion of the Company, may be capable of being conveniently or profitably carried on in connection with or subsidiary to any other business of the Company and is calculated to enhance the value of the Company's property
  - (C) To purchase or by any other means acquire freehold, leasehold or any other property for any estate or interest whatever, movable or immovable or any interest in such property, and to sell, lease let on hire, develop such property or otherwise turn the same to the advantage of the Company
  - (D) To apply for, register or by other means acquire any patents, patent rights, brevets d'invention, licences, trademarks, concessions and inventions and to use and turn to account the same or to develop, sell or assign the same or grant licences or privileges in respect thereof or otherwise turn the same to the advantage of the Company
  - (E) To build, reconstruct or generally maintain buildings and works of all kinds, whether or not these are situate on the property of the Company
  - (F) To invest and deal with the monies of the Company in such shares or upon such securities and in such manner as from time to time may be determined
  - (G) To enter into arrangements for joint workings in business or amalgamate with or enter into any partnership or arrangement for sharing profits, union of interests, reciprocal concession or co-operation with any company, firm or persona carrying on or proposing to carry on any business within the objects of this Company or which is capable of being carried on so as directly or indirectly to benefit the Company

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- (H) To purchase or otherwise acquire, take over and undertake all or any part of the business, property, liabilities and transactions of any person, firm or company carrying on any business the carrying on of which is calculated to benefit this Company or to advance its interests, or possessed of property suitable for the purposes of the Company
- (I) To sell, improve manage, develop, turn to account, *let* on rent or royalty or share of profits or otherwise, grant licences or easements or other rights in or over, or in any other manner deal with or dispose of the undertaking and all of any of the property and assets for the time being of the Company for *such* consideration as the Company may think fit
- (J) To subscribe for, take, purchase or otherwise acquire either for cash, shares or debentures in this Company or any other consideration any other company or business which, in the opinion of the Company, may be carried on so as directly or indirectly to benefit the Company
- (K) To sell or otherwise dispose of the whole or any part of the business or property of the company for any consideration, shares or debentures as the Company may think fit
- (L) To lend and advance money or give credit on any terms and with or without security to any company, firm or person (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any company, firm or person (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid)
- (M) To give, whilst the Company remains a private company, and subject to and in compliance with the provisions of sections 151 to 158 (inclusive) of the Companies Act 1985 (the "Act"), whether directly, or indirectly, any kind of financial assistance (as defined in section 152(1)(a) of the Act) for any such purpose as is specified in section 151(1) and/or 151(2) of the Act
- (N) To borrow or raise money in any manner and to secure the repayment of any money borrowed raised, or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (without present or future), including its uncalled capital and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or

liability it may undertake or which may become binding on it

- (O) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments
- (P) To apply for, promote and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests
- (Q) To support and subscribe to any funds and to subscribe to or assist in the promotion of any charitable, benevolent or public purpose or object for the benefit of the Company or its employees, directors or other officers past or present and to grant pensions to such persons or their dependants
- (R) To distribute among the members of the Company in kind any property of the Company of whatever nature
- (S) To pay all or any expenses in connection with the promotion, formation and incorporation of the Company, or to contract with any company, firm or person to pay the same and to pay commission to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares or other securities of the Company
- (T) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them

None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in any such sub-clause or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company

- 4 The liability of the Member is limited
- 5 The Company's share capital is £100,000 divided into 10,000,000 ordinary shares of 1 pence each

Company No 3729804

**THE COMPANIES ACT 1985 AND 1989**  
**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**- of -**

**GOLDSMITHS LIMITED**  
**(formerly Aurum Group Limited)**  
adopted by a Special Resolution passed  
on 7 May 2004

**1 Interpretation**

**1.1 In this Articles**

**"A Loan Notes"** means the discounted unsecured A loan notes issued by Mildghosts in the amount of £24,981,000 on 13 December 1999,

**"the Act"** means the Companies Act 1985 including any statutory modification or re-enactment for the time being in force,

**"Alchemy"** means Alchemy Partners (Guernsey) Limited,

**"Alchemy Director"** means the director appointed as such under the Shareholders Agreement,

**"B Loan Notes"** means the interest bearing unsecured B loan notes issued by Mildghosts in the amount of £4,633,633 on 13 December 1999,

**"C Loan Notes"** means the interest bearing unsecured C Loan Notes issued by Mildghosts in the amount of £400,500 on 13 December 1999,

**"Facility Agreement"** means the facility agreement of 18 March 1999 between (1) Mildghosts, (2) Commerzbank AG London Branch, Dresdner Bank AG London Branch and Skandinaviska

Enskilda Banken as underwriters (3) Dresdner Bank AG London Branch as issuing bank, (4) Dresdner Bank AG London Branch as agent, (5) Dresdner Bank AG London Branch as security trustee and (6) the Company,

**“Listing”** means the listing of the Company’s, or any holding company’s issued share capital on a recognised investment exchange (as defined by section 207(1) of the Financial Services Act 1986),

**“Loan Notes”** means the A Loan Notes, B Loan Notes and C Loan Notes,

**“Mildghosts”** means Mildghosts Limited (company number 3709615),

**“Mr Piasecki”** means Jurek Piasecki of Long Acre, Station Approach, Lower Shiplane, Henley on Thames, Oxon, RG9 3JS,

**“Ordinary Shareholders”** means the holders of Ordinary Shares,

**“Shareholders Agreement”** means the agreement of 18 March 1999 made by (1) Jurek Piasecki and others (2) Alchemy, (3) the Company and (4) Mildghosts as amended from time to time,

**“Subordination Agreement”** means the subordination agreement of 10 May 1999 between (1) Alchemy, (2) Dresdner Bank AG London Branch and (3) Mildghosts

1 2 Words and expressions defined in the Act and the Shareholders Agreement have the same meanings in these Articles, unless inconsistent with the context

1 3 The renunciation of a right to be allotted shares shall be treated as if it were a transfer of those shares and therefore shall be governed by Articles 6 to 11

1 4 Notwithstanding any other provisions contained herein these Articles shall be subject to the terms of the Subordination Agreement and the Facility Agreement

2 **TABLE A**

2 1 The regulations contained in Table A in the Schedule to the Companies (Table A-F) Regulations 1985, as amended ("Table A"), apply to the Company except to the extent that they are excluded by or inconsistent with these Articles

2 2 The first sentence of regulation 24 and regulations 64, 73 to 78, 80, 81, 90, 94, 95, 115 and 118 of Table A do not apply

3 **INTENTIONALLY LEFT BLANK<sup>1</sup>**

4 **SHARE CAPITAL**

The share capital of the Company at the date of adoption of these Articles is £100,000 divided into 10,000,000 Ordinary Shares of 1p each ("Ordinary Shares")

5 **MINIMUM DIVIDEND**

5 1 Unless otherwise agreed by Ordinary Shareholders representing at least 60% of the Ordinary Shares in issue, with effect from the financial year ending on or after the fifth anniversary of the date of completion of the Shareholders Agreement and subject to the A Loan Notes having been repaid in full and only to the extent permitted by the Facility Agreement, the Ordinary Shareholders are entitled to a dividend (the "Minimum Dividend") of a cash sum (excluding any associated tax credit) equal to 50cl-c of the net profits of the Company and its subsidiary undertakings for the relevant financial year

5 2 The Ordinary Shareholders are not entitled to a Minimum Dividend if it is waived in writing by, the holders of 70% or more of the Ordinary Shares in issue

5 3 For the purpose of calculating the Minimum Dividend, "net profits" means the net profits of the Company and its subsidiary undertakings available for distribution, as shown by the audited consolidated profit and loss account of the Company and its subsidiary undertakings for the relevant financial year before provision for the payment of any dividend on other shares in the Company or on any shares in its subsidiary undertakings or for any other distribution and before provision for the transfer of any sum to any other reserves

5 4 The Minimum Dividend shall be paid no later than 14 days after the annual general meeting at which the audited accounts of the Company for the relevant financial year are laid before the Company. The annual general meeting shall be held no later than four months after the end of each financial year

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<sup>1</sup> Pursuant to a written resolution dated 7 May 2004 the Company changed status from a public limited company to a private limited company and the former article 3 was therefore deleted

## **6. PROVISIONS APPLYING ON EVERY TRANSFER OF ORDINARY SHARES**

Shareholders are not entitled to transfer and the directors may not register a transfer of Ordinary Shares unless

- 6 1 it is expressly permitted by Article 7 or has been made in accordance with Articles 8, 9, 10 or 11 (as appropriate), and
- 6 2 except in the case of transfers pursuant to the provisions of Article 7 7 and 7 8 the proposed transferee has entered into an agreement to be bound by the Shareholders Agreement in the form required by that agreement

In the event of an infringement of this Article, the relevant shareholder shall be bound to give a Sale Notice in accordance with Article 8 in respect of all the Ordinary Shares in which he is interested

- 6 3 For the purpose of ensuring that a transfer of Ordinary Shares is permitted under these Articles or that there has been no breach of these Articles, the directors (acting by a majority) may from time to time require any member or the legal personal representative of any deceased member of any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the directors may reasonably think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the directors within a reasonable time after request, the directors shall be entitled to refuse to register the transfer in question or, in case no other transfer is in question, to require by notice in writing that a Sale Notice be given in respect of the Ordinary Shares concerned. If such information or evidence discloses that a Sale Notice ought to have been given in respect of any shares, the directors may by notice in writing require that a Sale Notice be given in respect of the Ordinary Shares concerned. In any case where the directors have duly required a Sale Notice to be given in respect of any Ordinary Shares and such Sale Notice is not duly given within a period of 14 days, or such longer period as the directors may allow for the purpose, such Sale Notice shall (except and to the extent that a transfer permitted under these Articles of any such Ordinary Shares shall have been lodged) be deemed to have been given on the date after the expiration of the said period as the directors may by resolution determine and the provisions of the Article relating to Sale Notices shall take effect accordingly save that the Asking Price shall be calculated as provided in Article 11 4

## **7. PERMITTED TRANSFERS OF ORDINARY SHARES**

- 7 1 With the written consent of the holders of 90% or more of the Ordinary Shares in issue, Ordinary Shares may be transferred to any person

- 7 2 A shareholder which is a body corporate may transfer Ordinary Shares to a member of the same group (meaning a subsidiary or holding company of the body corporate or a subsidiary of a holding company of the body corporate) if the transferee gives an undertaking to the Company that if the transferee ceases to be a member of the same group, all its shares in the Company will, before the cessation, be transferred to another member of the same group
- 7 3 An Ordinary Shareholder who holds Ordinary Shares as nominee or trustee for a limited partnership or unit trust which is primarily a vehicle for institutional investors may transfer those Ordinary Shares,
- 7 3 1 to another nominee or trustee for the limited partnership or unit trust,
- 7 3 2 on a distribution in kind under the relevant partnership agreement or trust deed, to the partners of the limited partnership or their nominees or the holders of units in the unit trust or their nominees, or
- 7 3 3 to a nominee or trustee for a limited partnership, unit trust or investment trust which is primarily a vehicle for institutional investors and which is advised or managed by the adviser or manager of the former limited partnership or unit trust
- 7 4 An Ordinary Shareholder who is an individual may transfer all or any of his shares to
- 7 4 1 his or her spouse or children or step children ("Privileged Relations") or to the trustee or trustee, of a family trust set up wholly for the benefit of one or more of the transferor or his Privileged Relations and of which the Ordinary Shareholder is the settlor or to a bare nominee for any of such persons including himself PROVIDED ALWAYS that any Ordinary Shareholder to whom shares are transferred pursuant to this Article 7 4 1 shall not have a like right to transfer shares unless the transfer is to the person from whom the Ordinary Shares were transferred in the first instance or is a transfer by the trustees of any such trust to new trustees of the same trust on a change of trustees or is a transfer from one nominee to another (provided that on such change of nominees or trustees that no change in beneficial ownership is thereby effected) and provided further that if the trust ceases to be for the benefit of such Ordinary Shareholder and/or his Privileged Relations such Ordinary Shares shall be transferred back to the Ordinary Shareholder who transferred then, or
- 7 4 2 the trustees of a pension fund set up wholly for the benefit of such Ordinary Shareholder PROVIDED ALWAYS that such trustees shall be deemed to hold the Ordinary, Shares for the benefit of the Ordinary Shareholder and in the event of the



pension fund ceasing to exist or to be for the benefit of such Ordinary Shareholder, such Ordinary Shares shall be transferred back to the Ordinary Shareholder who transferred them, or

7 4 3 a body corporate provided that all the issued shares of that body corporate are beneficially owned by the individual in question or a person to whom he could have lawfully transferred such Ordinary Shares in accordance with the provisions of Article 1 4 and PROVIDED ALWAYS that such body corporate shall give an undertaking to the Company that in the event that all issued shares of such body corporate cease to be so owned such Ordinary Shares shall be transferred back to the Ordinary Shareholder who transferred them Similarly such body corporate may at any time transfer such Ordinary Shares to any person who could have lawfully held them in accordance with the provisions of Article 7,

7 5 If the holder of any Ordinary Shares to whom such shares were transferred pursuant to Articles 7 4 1, 7 4 2 and 7 4 3 fails to transfer such shares in the circumstances set out in such Articles ("the Defaulting Transferee") the directors may authorise any director to transfer the relevant Ordinary Shares on behalf of the Defaulting Transferee to the Ordinary Shareholder who originally transferred the shares to the Defaulting Transferee

7 6 An Ordinary Shareholder who is an individual may transfer all or any of his shares to any other Manager or, with the consent of Alchemy, to a full time working director or the Company

7 7 Any Ordinary Shareholder may at any time transfer any Ordinary Shares in accordance with the provisions of the Act to the Company

7 8 Any Ordinary Shareholder who, with persons with who he is connected (as defined in Section 839 of the Income and Corporation Taxes Act 1988), has control over more than 50% of the Ordinary Shares in issue may transfer his Ordinary Shares and procure that persons with whom he is so connected do likewise (which transfer is for the avoidance of doubt hereby permitted) to any other person but only in circumstances where such other person makes an offer to acquire all the other Ordinary Shares in issue on the terms set out in Article 9 3 save that the consideration payable by such proposed offeree shall be such that Alchemy receives at least an amount equal to the amount set out in Article 10 3 in respect of its holding of Ordinary Shares and A Loan Notes PROVIDED ALWAYS that the transfer by the Ordinary Shareholder and his connected persons shall not be capable of being completed until the provision of Article 9 2 2 (other than as to the amount of consideration payable to Alchemy) would have been complied with had the transfer been made in accordance with the provisions of that Article 9

- 7 9 In the case of any Ordinary Shares being held by a Manager's Associate who is not an individual such Ordinary Shareholders shall be treated as an individual for the purposes of Articles 7 4 and 7 6 and shall be treated as though it were the Manager in question with whom it is Associated

## 8 PRE-EMPTION RIGHTS

- 8 1 An Ordinary Shareholder ("Selling Shareholder") who wishes to transfer Ordinary Shares or any beneficial interest therein to a person to whom Article 7 does not apply shall serve notice or, the Company ("Sale Notice") stating the number of shares he wishes to transfer ("Sale Shares") and his asking price for each share ("Asking Price")
- 8 2 The Selling Shareholder may state in the Sale Notice that he is only willing to transfer all the Sale Shares, in which case no Sale Shares can be sold unless offers are received for all of them
- 8 3 Sale Notice shall make the Company the agent of the Selling Shareholder for the sale of the Sale Shares on the following terms, which the Company shall notify to the other Ordinary Shareholders within seven days of receiving the Sale Notice
- 8 3 1 the price for each Sale Share is the Asking Price,
- 8 3 2 the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them,
- 8 3 3 each of the other Ordinary Shareholders (except those who are Compulsory Sellers for the purposes of Article 11) is entitled to buy the Sale Shares in proportions reflecting, as nearly as possible the nominal amount of their existing holdings of Ordinary Shares, an Ordinary Shareholder is entitled to buy fewer Sale Share than his proportional entitlement,
- 8 3 4 Ordinary Shareholders may offer to buy any number of the Ordinary Shares that are not accepted by the other Ordinary Shareholders ("Excess Shares"),
- 8 3 5 any additional terms pursuant to Article 8 2,
- 8 4 21 days after the Company's despatch of the terms for the sale of the Sale Shares (the "Closing Date"),
- 8 4 1 the Sale Notice shall become irrevocable,
- 8 4 2 an Ordinary Shareholder who has not responded to the offer in writing shall be deemed to have declined it, and

- 8 4 3 each offer made by an Ordinary Shareholder to acquire Sale Shares shall become irrevocable
- 8 5 If the Company receives offers for less Ordinary Shares than the number of Sale Shares, each Ordinary Shareholder who offered to buy Excess Shares shall be entitled to a number of Excess Shares reflecting, as nearly as possible, the number of Excess Shares he offered to buy as a proportion of the total number of Excess Shares for which offers were received
- 8 6 Within seven days after the Closing Date, the Company shall notify the Selling Shareholder and the Ordinary Shareholders who offered to buy Sale Shares of the result of the offer and, if any Sale Shares are to be sold pursuant to the offer
- 8 6 1 the Company shall notify the Selling Shareholder of the names and addresses of the Ordinary Shareholders who are to buy Sale Shares and the number to be bought by each,
- 8 6 2 the Company shall notify each Ordinary Shareholder of the number of Sale Shares he is to buy, and
- 8 6 3 the Company's notices shall state a place and time, between seven and fourteen days later on which the sale and purchase of the Sale Shares is to be completed
- 8 7 If the Selling Shareholder does not transfer Sale Shares in accordance with Article 8 6, the directors may authorise any director to transfer the Sale Shares on the Selling Shareholder's behalf to the buying Ordinary Shareholders concerned against receipt by the Company of the Asking Price per share The Company shall hold the Asking Price in trust for the Selling Shareholder without any obligation to pay interest The Company's receipt of the Asking Price shall be a good discharge to the buying Ordinary Shareholder The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid The defaulting Selling Shareholder shall surrender his share certificate for the Sale Shares to the Company On surrender, he shall be entitled to the Asking Price for the Sale Shares
- 8 8 If, by the Closing Date, the Company has not received offers for all the Sale Shares, the Selling Shareholder may within the next two months transfer the Sale Shares for which offers were not received (or, if the Sale Notice stated that he was only willing to transfer all the Sale Shares, all the Sale Shares) to any person at no less than the Asking Price per share, with any other terms being no more favourable than those in the Sale Notice

## **9 TRANSFERS WHICH CHANGE CONTROL**

- 9 1 Save in the case of Alchemy or any nominee of Alchemy, Article 9 applies when a

transfer of Ordinary Shares made under Article 7 1 or 8 would, if registered, result in a person and any other person

9 1 1 who in relation to him is a connected person, as defined in section 839 of the Income and Corporation Taxes Act 1988, or

9 1 2 with whom he is acting in concert, as defined The City Code on Takeovers and Mergers (and Alchemy's role or the role of any of its associates as investment adviser shall not be deemed to make its clients act in concert) (each a "member of the purchasing group") holding or increasing a holding of 50% or more of the Ordinary Shares in issue save that this Article 9 1 shall have no application to any transfer between a Manager and his Associates (where such Associates are not themselves Managers)

9 2 No transfer to which Article 9 applies may be made or registered unless

9 2 1 it is agreed to in writing by the holders of 90% or more of the Ordinary Shares in issue, or

9 2 2 the proposed transferee has made an offer to buy all the other Ordinary Shares (including any Ordinary Shares issuable, on the exercise of any then outstanding subscription rights) on the terms set out in Article 9 3 and the offer has closed and each accepted offer has been completed and the same time as transfer pursuant to Article 7 1 or 8 referred to in Article 9 1, unless failure to complete is the fault of the offeree

9 3 The terms of the proposed transferee's offer shall be as follows

9 3 1 the offer shall be open for acceptance for at least 21 days,

9 3 2 the consideration for each Ordinary Share shall be the higher of

9 3 2 1 the highest consideration offered for each Ordinary Share whose proposed transfer has led to the offer, and

9 3 2 2 the highest consideration paid by any member of the purchasing group for an Ordinary Share in the twelve months up to the offer, and

9 3 3 the proposed transferee shall offer to buy the Loan Notes for a cash consideration equal to the amount which would be payable to the holder of the Loan Notes if the Loan Notes were redeemed on the date upon which the offer becomes unconditional in all respects, unless the Loan Notes are redeemed in accordance with the terms of the issue of the Loan Notes

9 4 Any dispute on the appropriate consideration for the Ordinary Shares shall be referred to an umpire chosen by the parties concerned or, if they cannot agree on an umpire, nominated by

the President of the Institute of Chartered Accountants in England and Wales. The umpire shall act as an expert and not as an arbitrator and his decision shall be final and binding. The Selling Shareholder wishing to sell Ordinary Share to the proposed transferee shall pay half the umpire's costs and Ordinary Shareholders in dispute with the proposed transferee shall pay the other half.

- 9.5 The provisions of Article 8.6 shall apply to a transfer of Ordinary Shares to the proposed transferee.

## 10 DRAG-ALONG RIGHTS

- 10.1 If transfers under Articles 7.1, 8 and/or 9 result in members of the purchasing group holding or increasing their shareholding to 75% or more of the Ordinary Shares in issue, the members of the purchasing group may, by serving a "Compulsory Purchase Notice" on each other Ordinary Shareholder ("Minority Shareholder"), require all the Minority Shareholders to sell all their Ordinary Shares and beneficial interests therein to one or more persons identified by the member of the purchasing group at the consideration specified in Article 9.3.2.

- 10.2 The shares subject to the Compulsory Purchase Notices shall be sold and purchased in accordance with the provision of Articles 11.6 to 11.8 *mutatis mutandis*,

10.2.1 the "completion date" being the date which is 14 days after the service of the Compulsory Purchase Notices,

10.2.2 "Sale Shares" being the Minority Shareholder's Ordinary Shares,

10.2.3 "Compulsory Sellers" being the Minority Shareholders, and

10.3.4 "Offerees" being the persons identified as purchasers in the Compulsory Purchase Notice.

- 10.3 In the event that the Minority Shareholders includes Alchemy Partners Nominees Limited then, unless the consideration for the Ordinary Shares is such that the aggregate amount which would be received by Alchemy for its Ordinary Shares is equal to, or more than £870,000 and unless the Offerees offer to purchase the A Loan Notes for a cash consideration equal to 2 x the amount which would be payable to Alchemy if the A Loan Notes were redeemed on the date upon which the offer becomes unconditional in all respects, no Minority Shareholder shall be under any obligation to transfer Ordinary Shares pursuant to the Compulsory Purchase Notice.

10 4 While Article 10 applies to a Minority Shareholder's shares, those shares may not be transferred otherwise than under Article 10

10 5 Article 9 does not apply to transfers of shares under Article 10

## 11 **COMPULSORY TRANSFER**

11 1 Article 11 applies when an employee of the Company or any of its subsidiary undertakings who is an Ordinary Shareholder ceases, for any reason, to be an employee of the Company or any of its subsidiary undertakings ("Leaving Shareholder")

11 2 Within two months after the cessation of employment, the Alchemy Director and Mr Piasecki may serve notice (the "Purchase Notice") signed by both of them (save that the Alchemy Director may serve notice alone in the event of Mr Piasecki being a Leaving Shareholder) requiring the Ordinary Shareholder (or his personal representative in the case of his death) and any Related Person as defined in Article 11 10) ("Compulsory Sellers") to offer some or all of their Ordinary Shares ("Sale Shares") to

11 2 1 a person or persons intended to take the employee's place,

11 2 2 any of the existing employees of the Company or any of its subsidiary undertakings,

11 2 3 participants or potential participants in, or trustees of an employees' share scheme of the Company and its subsidiary undertakings, and/or

11 2 4 any other person or persons approved by resolution of the directors

("Offerees") The Purchase Notice may reserve to the relevant director or directors as the case may be the right to finalise the identity of the Offerees once the price for the Sale Shares has been agreed or certified

11 3 The Compulsory Sellers shall then offer their Sale Shares to the Offerees free from all liens, charges and encumbrances together with all rights attaching to them on the following terms

11 4 The price for the Sale Shares shall be the price agreed between the Compulsory Sellers and the relevant director or directors as the case may be, if they do not agree a price within 14 days of the Purchase Notice, the price certified by the Company's auditors or another firm of chartered accountants of repute appointed by the Board, acting as experts and not as arbitrators, to be the market value which is in the opinion of the auditors/accountants likely to result in a sale of the Sale Shares immediately after the cessation of employment

11 5 Within seven days after the price has been agreed or certified

11 5 1 the Company shall notify the Compulsory Sellers of the names and addresses

of the Offerees and the number of Sale Shares to be offered to each,

11 5 2 the Company shall notify each Offeree of the number of Sale Shares on offer to him, and

11 5 3 the Company's notices shall specify the price per share and state a date, between seven and 14 days later on which the sale and purchase of the Sale Shares is to be completed ("completion date")

11 6 By the completion date the Compulsory Sellers shall deliver stock transfer forms for the Sale Shares, with the relevant share certificates, to the Company. On the completion date the Company shall pay the Compulsory Sellers, on behalf of each of the Offerees, the agreed or certified price for the Sale Shares to the extent the Offerees have put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Offerees. The Company shall hold the price in trust for the Compulsory Sellers without any obligation to pay interest.

11 7 To the extent that Offerees have not, by the completion date, put the Company in funds to pay the agreed or certified price, the Compulsory Sellers shall be entitled to the return of the stock transfer forms and share certificates for the relevant Sale Shares and the Compulsory Sellers shall have no further rights or obligations under Article 11 in respect of those Sale Shares.

11 8 If a Compulsory Seller fails to deliver stock transfer forms for Sale Shares to the Company by the completion date, the *directors* may (and shall, if requested by both the Alchemy Director and Mr Piasecki except where Mr Piasecki is the Leaving Shareholder when the Alchemy Director alone shall be entitled to so request) authorise any director to transfer the Sale Shares on the Compulsory Seller's behalf to each Offeree to the extent that the Offeree has, by the completion date, put the Company in funds to pay the agreed or certified price for the Sale Shares offered to him. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Compulsory Seller shall surrender his share certificate for the Sale Shares to the Company. On surrender, he shall be entitled to the agreed or certified price for the Sale Shares.

11 9 While Ordinary Shares are liable to be Sale Shares by virtue of Article 11 2 as a result of a cessation of employment to which the provisions of Article 11 1 apply, they may not be transferred under Articles 7 or 8 which shall not apply during such period.

director, secretary or auditor, of former director, alternate director, secretary or auditor, of the Company or of a company which is a subsidiary of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a retirement benefit scheme or another trust in which a director, alternate director or secretary, or former director, alternate director or secretary is or has been interested indemnifying him against liability for negligence, default, breach of duty or breach of trust of any other liability which may lawfully be insured against by the Company.

12 12 Notwithstanding anything contained in these articles, the directors (or director if there is only one) of the Company may not decline to register any transfer of shares in the Company, nor may they suspend any registration thereof nor shall a holder of any shares be required to comply with any of the provisions of the articles or otherwise which restrict the transfer of shares or require shares to be offered to the shareholders for the time being of the company and no such shareholder shall have any right under the articles or otherwise to require such shares to be transferred to them for valuable consideration or otherwise where in each such case such transfer is

- (i) executed by a bank or institution to which such shares have been mortgaged or charged by way of security, or by any nominee of such a bank or institution, pursuant to a power of sale of such security, or
- (ii) executed by a receiver or manager appointed by or on behalf any such bank or institution under any such security, or
- (iii) to any such bank or institution, or to any nominee of such a bank or institution, pursuant to any such security,

and a certificate by any officer of such bank or institution that the shares were so charged and the transfer was executed shall be conclusive evidence of such facts

12 13 Any lien on shares which the Company has pursuant to Regulation 8 of Table A shall not apply in respect of any shares that have been charged by way of security to a bank or financial institution or such chargee's nominee, a subsidiary of a bank or financial institution or such chargee's nominee