

Company No: 3808875

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

KENTON SCHOOL SERVICES LIMITED

Passed on 24 January 2001

On 24 January 2001 the following resolution was duly passed as a written resolution of the sole member of the Company entitled to attend and vote at a general meeting on such date:


RESOLUTION

1. **THAT** each of the 2 issued ordinary shares of £1 each in the capital of the Company be converted into a 'B' ordinary share of £1 each, such shares having the rights and being subject to the restrictions and obligations attaching to them under the new articles of association adopted pursuant to resolution 5 below.
2. **THAT** each of the 998 existing authorised but unissued ordinary shares of £1 each in the capital of the Company be converted into a 'B' ordinary share of £1 each, such shares having the rights and being subject to the restrictions and obligations attaching to them under the new articles of association adopted pursuant to resolution 5 below.
3. **THAT** the authorised share capital of the Company be increased from £1,000 to £218,300 by the creation of 109,150 'A' ordinary shares of £1 each and 108,150 'B' ordinary shares of £1 each, such shares having the rights and being subject to restrictions and obligations attaching to them under the new articles of association adopted pursuant to resolution 5 below.
4. **THAT** the memorandum of association of the Company be amended by the replacement of the existing paragraph 5 with the following new paragraph 5:  
  
"The Company's share capital is £218,300 divided into 109,150 'A' ordinary shares of £1 each and 109,150 'B' ordinary shares of £1 each."
5. **THAT** the regulations contained in the document attached to this resolution be adopted as the articles of association of the Company in substitution for and to the entire exclusion of all previous articles of association.



Director



Certified a  
True Copy  
  
RUTH MICHELSON  
FOR AND ON BEHALF OF  
JARVIS SECRETARIES  
LIMITED

Company No: 3808875

THE COMPANIES ACTS 1985 AND 1989

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PRIVATE COMPANY LIMITED BY SHARES

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MEMORANDUM OF ASSOCIATION

of

KENTON SCHOOL SERVICES LIMITED\*

1. The Company's name is KENTON SCHOOL SERVICES LIMITED.
2. The Company's registered office is to be situated in England & Wales.
3. The Company's objects are:
  - (A) To carry on business as designers, suppliers, assemblers, engineers, facilities manager, contractors and consultants and to be otherwise concerned in the construction, installation, maintenance, repair, renewal and replacement of infrastructure (including, but not limited to track and signalling), electrification, telecommunications, buildings, fixed plant, structures and other assets of all kinds and in particular, but without limitation, to carry out, whether as main contractors or subcontractors or to subcontract others to carry out, infrastructure projects involving any of the skills and activities above described and to survey, audit and manage such works as described above which are carried out by other parties.
  - (B) To operate transport services and to own, hire and maintain locomotives, coaches, containers, wagons and other vehicles appropriate for the carriage of goods and burdens of every description.
  - (C) To build, re-build, renew, erect, construct, lay down, enlarge, alter, remove, replace and maintain any roads, railways, tramways, sidings, bridges, reservoirs, shops, stores, stations, engines, works, offices, depots, factories, buildings, works, plant and machinery and all things of all kinds necessary or convenient for the Company's business, and to contribute to or subsidise the erection, construction, maintenance and renewal of any of the aforesaid or to join with any person, firm or company in doing any of the things aforesaid and to work, manage and control the same or join with others in so doing.

\*Incorporated on 16 July 1999 under the name Shelfco (No. 1712) Limited, changed its name to Harrowby Residential One Limited on 17 August 1999, changed its name to Shelfco (No.1750) Limited on 27 November 2000 and changed its name from Shelfco (No.1750) Limited to Kenton School Services Limited by Special Resolution dated 8 November 2000.

- (D) To manufacture, buy, sell, let on hire and deal in plant, machinery, tools, implements, materials, articles and things of all kinds necessary or convenient for carrying on the Company's business.
- (E) To carry on any other trade or business whatsoever of any kind and description which can in the opinion of the directors be advantageously carried on by the Company in connection with or as ancillary to any of the businesses of the Company.
- (F) To enter into contracts, agreements and arrangements with any other company for the carrying out by such other company of any of the objects for which the Company is formed whether on behalf of the Company or on its own account.
- (G) To acquire, undertake and carry on the whole or any part of the business, property and liabilities of any person or company carrying on any business which may in the opinion of the directors be capable of being conveniently carried on or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights, or any property suitable for the purposes of the Company.
- (H) To enter into any arrangements with any government or authority national, international, supreme, municipal, local or otherwise, that may in the opinion of the directors be conducive to the Company's objects or any of them, and to obtain from any such government or authority any rights, privileges, and concessions which in the opinion of the directors is desirable, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
- (I) To apply for, or join in applying for, purchase or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, service marks, copyrights, registered designs, protections, concessions and the like, and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting and testing and making researches, and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- (J) To acquire an interest in, amalgamate with or enter into partnership or into any arrangement for the sharing of profits, union of interests, co-operation, joint venture, reciprocal concession, or otherwise with any company, or with any employees of the Company. To lend money to, guarantee the contracts of, or otherwise assist any such company, and to take or otherwise acquire shares or securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same.

- (K) To lend money to, to subsidise and assist any persons or companies and to act as agents for the collection, receipt or payment of money and generally to act as agents or brokers for and render services to any company, and to undertake and perform sub-contracts.
- (L) To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee or otherwise provide security for, with or without the Company receiving any consideration therefor or advantage therefrom, directly or indirectly, by personal covenant or by mortgage, charge or lien over all or any part of the undertaking, property and assets present and future and uncalled capital of the Company or by any other means whatsoever, the performance of the obligations and the payment of any moneys (including but not limited to capital or principal, premiums, dividends or interest, commissions, charges, discount and any related costs or expenses whether on any stocks, shares or securities or in any other manner) by any company, firm or person including but not limited to any company which is for the time being the Company's holding company or a subsidiary of the Company each as defined by Section 736 of the Companies Act 1985 or of the Company's holding company as so defined or any company, firm or person who is for the time being a member or otherwise has any interest in the Company or is associated with the Company in any business or venture, or any other person firm or company whatsoever. For the purposes of this paragraph (L) "guarantee" includes any other obligation howsoever described to pay, satisfy, provide funds (whether by advance of money, the purchase of or the subscription of shares or other securities, the purchase of assets or services, or otherwise) for the payment or satisfaction of or to indemnify against the consequences of default in the payment of or otherwise be responsible for any indebtedness of any other company, firm or person.
- (M) To promote, finance or assist any company for the purpose of acquiring all or any of the property rights or undertaking or assuming the liabilities of the Company, or for any other purpose which may be in the opinion of the directors directly or indirectly calculated to benefit the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any party of the shares or securities of such company as aforesaid.
- (N) To remunerate any person, firm or company rendering service to the Company whether by cash payment or by the allotment to him or them of shares or securities of the Company credited as paid up in full or in part or otherwise.
- (O) Generally to purchase, take on lease or exchange, hire or otherwise acquire any real or personal property and any rights or privileges over or in respect of it.
- (P) To receive money on deposit on such terms as the directors may approve.
- (Q) To invest and deal with the moneys of the Company in such manner as may from time to time be determined by the directors.
- (R) To lend money or give credit with or without security.

- (S) To borrow or raise or secure the payment of money in such manner as the Directors shall approve, and in particular by the issue of debentures or debenture stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future), including its uncalled capital, and to purchase, redeem or pay off any such securities.
- (T) To remunerate any company for services rendered or to be rendered, in placing, or assisting to place, or guaranteeing the placing or procuring the underwriting of any of the shares or debentures, or other securities of the Company or of any company in which this Company may be interested or propose to be interested, or in or about the conduct of the business of the Company, whether by cash payment or by the allotment of shares, or securities of the Company credited as paid up in full or in part, or otherwise.
- (U) To subscribe for either absolutely or conditionally or otherwise acquire and hold shares, stocks, debentures, debenture stock or other obligations of any other company and to co-ordinate, finance and manage the business and operation of any company in which the Company holds any such interest.
- (V) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (W) To sell, lease, exchange, let on hire, or dispose of any real or personal property or the undertaking of the Company, or any part or parts thereof for such consideration as the directors shall approve and, in particular, for shares whether fully or partly paid up, debentures or securities of any other company, whether or not having objects altogether, or in part, similar to those of the Company, and to hold and retain any shares, debentures or securities so acquired, and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of, grant options over or turn to account or otherwise deal with all or part of the property or rights of the Company.
- (X) To adopt such means of making known the businesses and products of the Company as may in the opinion of the directors seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest by publication of books and periodicals, and by granting prizes, rewards and donations.
- (Y) To support, subscribe or contribute to any charitable or public object or any institution, society or club which may for the benefit of the Company or its directors, officers or employees, or the directors, officers and employees of its predecessors in business or of any subsidiary, allied or associated company, or which may be connected with any town or place where the Company carries on business and to subsidise or assist any association of employers or employees or any trade association. To grant pensions, gratuities, annuities, other benefits on retirement or charitable aid and generally to provide advantages, facilities and services to any person (including any directors or former directors) who may have served the Company or its predecessors in business or any subsidiary, allied or associated company or to the wives, children or other dependants or

relatives of such persons, to make advance provision for the payment of such pensions, gratuities, annuities or other benefits on retirement as aforesaid by establishing or acceding to such trusts, schemes or arrangements (whether or not capable of approval by the Commissioners of Inland Revenue under any relevant legislation for the time being in force) as may seem expedient, to appoint or remove trustees or director of a trustee company or to act as trustee of any such schemes or arrangements and to make payments towards insurance for the benefit of such persons or to their wives, children, or other dependants or relatives and to make arrangements for the transfer of funds or arrangements in relation to the payment of such pensions, gratuities, annuities, or other benefits on retirement.

- (Z) To establish and contribute to any scheme for the purchase or subscription by trustees of shares in the Company to be held for the benefit of the employees of the Company or any subsidiary, allied or associated company, and to lend money to such employees or to trustees on their behalf to enable them to purchase or subscribe for shares in the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with employees or any of them.
- (AA) To apply for, promote and obtain any Act of Parliament, order or licence of the Department of Trade and Industry or other authority for enabling the Company to carry any of its objects into effect or for effecting any modifications of the Company's constitution or for any other purposes which may in the opinion of the directors seem calculated directly or indirectly to prejudice the Company's interests.
- (BB) To establish, grant and take up agencies in any part of the world, and to do all such other things as the Company may deem conducive to the carrying on of the Company's business, either as principals, or agents, and to remunerate any persons in connection with the establishment or granting of such agencies upon such terms and conditions as the Company may think fit.
- (CC) To distribute among the shareholders in specie any other property of the Company or any proceeds of sale or disposal of any property of the Company and for such purpose to distinguish and separate capital from profits, but so that no distribution amounting to a reduction of capital shall be made except with the sanction (if any) for the time being required by law.
- (DD) To purchase and maintain insurance for the benefit of any person who is an officer or employee, or former officer or employee, of the Company or of a subsidiary of the company or in which the Company has an interest whether direct or indirect or who is or was trustee of any retirement benefits scheme or any other trust in which any such officer or employee or former officer or employee is or has been interested indemnifying such person against liability for negligence, default, breach of duty or breach of trust or any other liabilities which may legally be insured against.
- (EE) To amalgamate with any other company.

- (FF) To do all or any of the above things in any part of the world and as principals, agents, contractors, trustees or otherwise, and either alone or in conjunction with others and to procure the Company to be registered or recognised in any foreign country or place.
- (GG) To do all such other things as are in the opinion of the directors incidental or conducive to the attainment of all or any of the Company's objects, or the exercise of all or any of its powers.
- (HH) The objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be regarded as independent objects, and are not limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company. None of the paragraphs of this clause or the objects or powers specified or conferred in or by them are deemed subsidiary or ancillary to the objects or powers mentioned in any other paragraph, but the Company has as full a power to exercise all or any of the objects and powers provided in each paragraph as if each paragraph contained the objects of a separate company.

The word "company" in this clause (except where used in reference to the Company) is deemed to include any person or partnership or other body of persons whether domiciled in the United Kingdom or elsewhere and whether incorporated or unincorporated, and words denoting the singular number only shall include the plural number and vice versa. The word "Act" in this Clause means the Companies Act 1985, and any reference in this clause to any provision of the Act is deemed to include a reference to any modification or re-enactment of that provision for the time being in force.

- 4. The liability of the members is limited.
- 5. The Company's share capital is £218,300 divided into 109,150 'A' Shares of £1 each and 109,150 'B' Shares of £1 each.\*

\*The original Share Capital of the Company was £1,000 divided into 1,000 shares of £1 each. On 24 January 2001 the Company increased its Share Capital to £218,300, comprising 109,150 'A' Shares of £1 each and 109,150 'B' Shares of £1 each.

We, the subscriber to this memorandum of association, wish to be formed into a company pursuant to this memorandum; and we agree to take the number of shares shown opposite our name.

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Name and address of subscriber

Number of Shares taken by  
subscriber

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Mikjon Limited  
50 Stratton Street  
London, W1X 6NX

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DATED: 1 July 1999

WITNESS to the above signature:

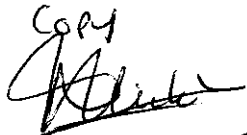
V J Donnelly  
1 South Quay  
Victoria Quays  
Sheffield  
S2 5SY



(No. 3808875)

**THE COMPANIES ACTS 1985 to 1989**

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Certified a True  
Copy  
  
RUTH MICHELSON  
FOR AND ON BEHALF OF  
JARVIS SECRETARIES  
LIMITED

**PRIVATE COMPANY HAVING A SHARE CAPITAL**

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**ARTICLES OF ASSOCIATION**

- of -

**KENTON SCHOOL SERVICES LIMITED**

(adopted by written resolution passed on 24 January 2001)

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**ASHURST MORRIS CRISP**

Broadwalk House  
5 Appold Street  
London EC2A 2HA

Tel: 020 7638-1111  
Fax: 020 7972 7990

**JXS/B790.00037/1933620**

(No. 3808875)

**THE COMPANIES ACTS 1985 to 1989**

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**PRIVATE COMPANY HAVING A SHARE CAPITAL**

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**ARTICLES OF ASSOCIATION**

- of -

**KENTON SCHOOL SERVICES LIMITED**

(adopted by written resolution passed on 24 January 2001)

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**PRELIMINARY**

1. In these articles, any reference to:-

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

"**Article**" means the appropriate section of these articles;

"**Barclays Bank Agreement**" means any senior facilities agreement to which the Company is from time to time party as borrower, (being at the date of adoption of these articles the Facilities Agreement dated on or about the date of the adoption of these articles and made between, *inter alia*, the Company as borrower and Barclays Bank plc ("**Barclays**") as agent as any such facilities agreement may be supplemented, varied, amended or replaced hereafter;

"**BIL**" means Barclays Infrastructure Limited (Company number 3027846);

"**BIL Group**" means:-

- (a) BIL and any company which is its subsidiary, any holding company of BIL or a subsidiary of such holding company; and
- (b) any unit trust, investment fund, partnership or other fund including any investor or potential investor therein or other entity of which any entity referred to in paragraph (a) of this definition is the general partner, trustee, principal or manager (either

directly or indirectly) and including, without limitation, the Barclays UK Infrastructure Fund Limited Partnership;

- (c) any nominee or trustee of any entity falling within paragraphs (a) or (b) of this definition acting in such capacity (whether on a change of nominee or trustee or otherwise);

**"Business Day"** means any day (other than a Saturday or a Sunday) on which the banks are open for business in the City of London for the transaction of normal banking business;

**"Inter-creditor Deed"** means the inter-creditor deed entered into on or about the date of adoption of these articles, as such deed may be amended, supplemented, restated or novated from time to time;

**"Jarvis"** means Jarvis plc (Company number 2238084);

**"Jarvis Group"** means Jarvis and any subsidiary undertaking of Jarvis from time to time;

**"Regulation"** means the appropriate regulation from Table A;

**"Secured Loan Notes"** means the secured subordinated loan notes 2025 issued by the Company;

**"Shareholders' Agreement"** means the shareholders agreement of even date with the date of adoption of these articles or thereabouts made between (1) BIL in its capacity as general partner of the Barclays UK Infrastructure Fund Limited Partnership, (2) Jarvis and (3) the Company as the same may be amended, supplemented, restated or novated from time to time;

**"Subscription Agreement"** means the subscription agreement of even date with the adoption of these articles or thereabout between (1) BIL in its capacity as general partner of the Barclays UK Infrastructure Fund Limited Partnership, (2) Jarvis and (3) the Company as the same may be amended, supplemented, restated or novated from time to time;

**"Table A"** means Table A set out in the schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052); and

**"Unclassified Shares"** means ordinary shares in the capital of the Company which are not "A" ordinary shares or "B" ordinary shares.

2. The Company is a private company. The Regulations contained in Table A, save insofar as they are excluded or varied hereby, and the Articles hereinafter contained shall constitute the regulations of the Company. Regulations 2, 3, 24, 40, 50, 54, 64 to 69 (inclusive), 72 to 81 (inclusive), 89 to 91 (inclusive), 101 and 118 of Table A shall not apply to the Company.

## SHARES

- 3.1 All shares of the Company shall be under the control of the directors who may (subject to section 80 of the Act and to these Articles) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.
- 3.2 The directors may allot any relevant securities (as defined by section 80(2) of the Act) of the Company to a nominal amount of £218,300 (being the amount of the existing authorised share capital of the Company at the date of the adoption of these Articles) in accordance with the provisions of these Articles.
- 3.3 The general authority conferred by Article 3 shall extend to all relevant securities of the Company from time to time unissued during the currency of such authority. The said general authority shall expire on the fifth anniversary of the date of the adoption of these Articles unless varied or revoked or renewed by the Company in general meeting.
- 3.4 The directors shall be entitled under the general authority conferred by Article 3 to make at any time before the expiry of such authority any offer or agreement which will or may require relevant securities to be allotted after the expiry of such authority.
- 3.5 Subject always to the provisions of Article 5, sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to any allotment of shares in the Company.
- 4.1 The share capital of the Company at the date of the adoption of these Articles is £218,300 divided into 109,150 "A" ordinary shares of £1 each and 109,150 "B" ordinary shares of £1 each.
- 4.2 The "A" ordinary shares and the "B" ordinary shares and any Unclassified Shares in issue from time to time shall be separate classes of shares but save as herein expressly provided shall rank *pari passu* in all respects.
- 5.1 Save as the holders of the "A" ordinary shares and the holders of the "B" ordinary shares shall otherwise agree in writing all new shares created upon any increase of capital and any issue of unissued shares shall consist of such numbers of "A" ordinary shares, "B" ordinary shares and Unclassified Shares as reflect the proportions as nearly as may be in which the "A" ordinary shares, the "B" ordinary shares and Unclassified Shares were held prior to such issue.
- 5.2 Upon any issue of shares the directors shall first offer the "A" ordinary shares to be issued to the holders for the time being of the existing issued "A" ordinary shares and if such offer shall not be fully accepted within 21 days of the making thereof or on the receipt of an intimation from the member concerned that he declines to accept such offer in full the directors shall thereupon offer any remaining "A" ordinary shares to be issued to the holders for the time being of the existing issued "B" ordinary shares. If such last mentioned offer shall not be fully accepted within 14 days from the making thereof the directors shall offer any remaining "A" ordinary shares to the holders for the time being of any Unclassified Shares. If such last mentioned offer shall not be accepted within 14 days the directors may allot or otherwise dispose of the remaining unissued "A" ordinary shares as they may in their discretion think fit subject always to compliance with Article 5.1.

- 5.3 The provisions of Article 5.2 shall also apply to any issue of "B" ordinary shares save that references to "A" ordinary shares shall be construed as references to "B" ordinary shares and references to "B" ordinary shares shall be construed as references to "A" ordinary shares.
- 5.4 The provisions of Article 5.2 shall also apply to any issue of Unclassified Shares save that such shares shall be offered first to the holders of Unclassified Shares and subsequently to the holders of both the "A" ordinary shares and the "B" ordinary shares pro rata to their current holdings.
6. The lien conferred by Regulation 8 shall attach to fully paid shares and to all shares registered in the name of any person indebted or under liability to the Company whether he is the sole registered holder thereof or one of two or more joint holders.

### **RESOLUTIONS**

7. Any such resolution in writing as is referred to in Regulation 53 may consist of several documents in the like form each signed by one or more of the members (or their duly authorised representatives) referred to in that Regulation.

### **TRANSFERS**

- 8.1 The directors shall register a transfer made either in accordance with the provisions of Articles 9 and 10 or pursuant to the written agreement of all the members for the time being or in accordance with the terms of the Shareholders' Agreement.
- 8.2 Subject to the provisions of Article 8.1 the directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of any share.
- 8.3 The directors shall decline to register any transfer of shares unless the transferee has, if so required by the terms of the Shareholders' Agreement or otherwise, first entered into an appropriate deed of adherence pursuant to the Shareholders' Agreement.
- 8.4 If any "A" ordinary shares are transferred to a holder of "B" ordinary shares, they shall be redesignated as "B" ordinary shares and if any "B" ordinary shares are transferred to a holder of "A" ordinary shares, they shall be redesignated as "A" ordinary shares.
- 8.5 If any "A" ordinary shares or "B" ordinary shares are transferred to a person other than a member of the BIL Group or the Jarvis Group then such shares shall be redesignated as Unclassified Shares except where or until such time as all the "A" ordinary shares or "B" ordinary shares (as the case may be) have been transferred to the same person in which case such Shares shall continue to be designated as "A" ordinary shares or "B" ordinary shares as the case may be.
- 9.1 For the purpose of this Article:-
- (a) the word "**company**" includes any body corporate;

- (b) the expression "**Business Day**" means a day (other than a Saturday or a Sunday) on which banks are open in the City of London for the transaction of normal banking business;
- (c) the expression a "**member of the same Group**", means:-
  - (i) in relation to any company which is not within the BIL Group or the Jarvis Group:-
    - (A) any other company which is for the time being its subsidiary; or
    - (B) any company of which it is the subsidiary or any other subsidiary of such company; and
  - (ii) in relation to a company falling within the BIL Group, any other company falling within the BIL Group or, in relation to a company falling within the Jarvis Group, any other company falling within the Jarvis Group;
- (d) the expression "**subsidiary**" shall have the meaning ascribed thereto in section 736 of the Act;
- (e) the expression "**Transferor Company**" means a company (other than a Transferee Company) which has transferred or proposes to transfer shares to a member of the same Group;
- (f) the expression "**Transferee Company**" means a company for the time being holding shares in consequence, directly or indirectly, of a transfer or series of transfers of shares between members of the same Group (the relevant Transferor Company in the case of a series of such transfers being the first transferor in such series);
- (g) the expression "**Relevant Shares**" means and includes (so far as the same remain for the time being held by any Transferee Company) the shares originally transferred to such Transferee Company and any additional shares issued to such Transferee Company by way of capitalisation or acquired by such Transferee Company in exercise of any right or option granted or arising by virtue of the holding of the Relevant Shares or any of them or the membership thereby conferred.

9.2 Any shares may be transferred:-

- (a) at any time by any member being a company to a member of the same Group as the Transferor Company; and
- (b) at any time to any person with the consent in writing of all other members of the Company;

provided that no transfer may be made and the directors shall not register a transfer unless the provisions of Article 8.3 have been observed.

- 9.3 If a Transferee Company ceases to be a member of the same Group as the Transferor Company from which the Relevant Shares were derived (because of the change of ownership of the Transferee Company rather than the change of ownership of the Transferor Company, it shall be the duty of the Transferee Company forthwith to notify the directors in writing that such event has occurred and it shall be the duty of the Transferor Company and each other member of the same Group (including the Transferee Company) to procure that the Relevant Shares are thereupon transferred to the Transferor Company or another member of the same Group (excluding the Transferee Company) (any such transfer being deemed to be authorised under the foregoing provisions of this Article 9).
- 10.1 Except in the case of a transfer or disposal permitted under Article 9, the right to transfer or to dispose of any shares or any interest therein, shall be subject to the restrictions and provisions of this Article 10.
- 10.2 Before transferring or disposing of any shares or any interest of any shares, any shareholder proposing to transfer or dispose of the same (the "**Proposing Transferor**") shall give a notice in writing (the "**Transfer Notice**") to the Company that it desires to transfer or dispose of the same. The Transfer Notice shall constitute the Company such shareholder's agent for the sale of the shares referred to therein (together with all rights and obligations attached thereto) at the Prescribed Price (determined in accordance with Article 10.3) during the Prescribed Period (as defined in Article 10.4 below) and otherwise in accordance with this Article 10. The Transfer Notice shall not be revocable except with the consent of all the directors of the Company or where the Proposing Transferor is not willing to sell at the Prescribed Price as determined in accordance with Article 10.3 and has given prior notice to this effect.
- 10.3 If an offer is made by a bona fide arms length purchaser for the shares to be transferred, then such price shall constitute the "**Prescribed Price**". If no bona fide offer is made but the Proposing Transferor and the directors of the Company have agreed a price per share subject to the Transfer Notice (which price is believed by the Board to represent the fair value thereof) and such agreement was reached not more than one month before the proposed transfer then such price shall be the "Prescribed Price". In all other circumstances on the giving of the Transfer Notice the directors of the Company shall request an independent accountant of international standing (acting as an expert and not an arbitrator) to determine and give an opinion as to the sum per share for the shares that are the subject of the Transfer Notice considered by them to be the fair value thereof taking into account the rights and regulations attaching to such shares as at the date of the proposed transfer which when so determined and certified shall be the "Prescribed Price". In any case there shall be deducted from the Prescribed Price so agreed or certified, save to the extent that such has already been taken into account in calculating the Prescribed Price, any dividend or other distribution declared or made on or paid after the date of the agreement or, as the case may be, certification of the Prescribed Price which is to be retained by the Proposing Transferor. If the Proposing Transferor is not willing to sell at the Prescribed Price then the Proposing Transferor may within a period of 15 Business Days following the date of determination of the Prescribed Price withdraw the shares from sale by serving notice on the Company to that effect. The cost of the independent accountant shall be borne by the Proposing Transferor.
- 10.4 All shares included in any Transfer Notice shall first be offered by the Company by notice in writing to all the shareholders (other than the member to whose shares the Transfer Notice

relates) for purchase at the Prescribed Price on terms that, in the case of competition, the shares so offered shall (in accordance with the provisions of these Articles) be sold to members wishing to accept such offer in proportion (as nearly as may be without involving fractions or increasing the number of shares sold) to their existing holding of shares. Such offer shall specify a time limit (not being less than ten Business Days) within which it must be accepted or in default of acceptance will lapse (the "Prescribed Period").

- 10.5 If the Company shall within the Prescribed Period find shareholders (the "**Purchasers**") to purchase all of the shares concerned, it shall give notice in writing thereof to the Proposing Transferor (the "**Vendor**") who shall be bound upon payment of the Prescribed Price to transfer such shares to the respective Purchasers. Each such notice shall state the name and address of the Purchaser and the number of shares agreed to be purchased by it and the purchase shall be completed at a place and time being not less than ten Business Days after the date of such notice and as are contained in such notice.
- 10.6 If the Company shall not within the Prescribed Period find Purchasers willing to purchase all the shares which are the subject of the Transfer Notice it shall give notice in writing thereof to the Proposing Transferor and the Purchasers who shall have the right to purchase the shares for which no other Purchaser has been found in proportion (as nearly as may be without involving fractions or increasing the number of shares sold) to their existing holdings of shares by giving notice to the Company within ten Business Days (the "**Second Period**"). If the Company shall not within the Second Period find Purchasers wishing to purchase all the shares it shall give to the Proposing Transferor a notice in writing that the Company has not found Purchasers for the shares and then the Proposing Transferor, at any time thereafter up to the expiration of two months after the Second Period, shall be at liberty to transfer the shares to any person on a bona fide sale at any price not being less than the Prescribed Price (after deducting where appropriate any dividend or other distribution paid, declared or made after the date of the Transfer Notice and being retained by the Proposing Transferor and which was not taken into account in the determination of the Prescribed Price) provided that no transfer may be made and the directors shall not register a transfer unless the provisions of Article 8.3 have been observed.
- 10.7 If a bona fide arms length purchaser shall make an offer to purchase the entire issued share capital of the Company which values all the shares in the Company equally (a "**Full Offer**") and any shareholder which is the registered holder of 60 per cent. or more (by nominal value) of the issued share capital of the Company as at that date (the "**Majority Shareholder**") intends to accept the Full Offer and is permitted so to do by the operation of Articles 10.1 to 10.6 inclusive, then:-
- (a) the Majority Shareholder shall be able, by written notice in writing to the other shareholders of the Company, to compel the other shareholders to accept the Full Offer and to sell all of their shares in the Company to that bona fide arms length purchaser on the same terms, and at the same price;
  - (b) completion of the sale and purchase of the shares of the other shareholders shall take place at the registered office of the Majority Shareholder at the same time as the sale and purchase of the shares of the Majority Shareholder to the bona fide arms length purchaser; and



- (c) the compulsory sale of the shares of the other shareholders shall not be subject to pre-emption under this Article 10.

### PROCEEDINGS AT GENERAL MEETINGS

11. No business shall be transacted at any general meeting unless a quorum is present at the commencement and throughout the whole of the meeting. Two members present (of whom one shall be or represent a holder of "A" ordinary shares and one shall be or represent a holder of "B" ordinary shares) shall be a quorum for all purposes.
12. In Regulation 41 the following words are to be added at the end: "and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall stand dissolved".
13. It shall not be necessary to give any notice of an adjourned meeting and Regulation 45 shall be construed accordingly.
14. A poll may be demanded by any member present in person or by proxy and Regulation 46 shall be modified accordingly.
- 15.1 On a show of hands every member who is present in person shall have one vote and on a poll every member shall have one vote for every share of which he is the holder provided that:-
- (a) no "A" ordinary shares or Unclassified Shares shall confer any right to vote upon a resolution for the removal from office of a "B" director;
  - (b) no "B" ordinary shares or Unclassified Shares shall confer any right to vote upon a resolution for the removal from office of an "A" director;
  - (c) no "A" ordinary shares or "B" ordinary shares shall confer any right to vote upon a resolution for the removal of a director appointed by the holders of Unclassified Shares;
- 15.2 The chairman of a general meeting shall not be entitled to a second or casting vote.

### DIRECTORS

16. The number of directors shall be not less than two.
- 17.1. (a) For so long as BIL is and/or any member of the BIL Group are between them registered as the holders of 50 per cent. or more of the issued share capital of the Company, it/they shall together have the right exercisable by notice in writing signed by a duly authorised officer to require the appointment of two Directors (each an **"A' Director"**) of the Company from time to time and by like notice to require the removal of any Director so appointed and the appointment of another person to act in place of such Director and for so long as BIL is and/or any member of the BIL Group are between them registered as the holders of at least 25 per cent. but less than 50 per cent. of the issued share capital of the Company it/they shall have together such rights but in respect of only one 'A' Director.

- (b) For so long as Jarvis is and/or any member of the Jarvis Group are between them registered as the holders of 50 per cent. or more of the issued share capital of the Company, it/they shall together have the right exercisable by notice in writing signed by a duly authorised officer to require the appointment of two Directors (each a **"B' Director"**) of the Company from time to time and by like notice to require the removal of any Director so appointed and the appointment of another person to act in place of such Director and for so long as Jarvis and/or any member of the Jarvis Group are between them registered as the holders of at least 25 per cent. but less than 50 per cent. of the issued share capital of the Company it/they shall have together such rights but in respect of only one 'B' Director.
  - (c) Each holder of at least 25 per cent. or more of the issued share capital of the Company shall be entitled by notice in writing signed by it and left at or sent by registered post to the registered office for the time being of the Company to appoint one director and by like notice to remove any directors appointed pursuant to this article 17.1(c) and at any time and from time to time by like notice to appoint any other person to be a director in place of the director so removed or in place of any director vacating office in any way and originally so appointed by them.
  - (d) Any notice given pursuant to any paragraph of this Article 17.1 shall take effect immediately upon delivery to the registered office of the Company.
- 17.2 Every director appointed pursuant to this Article shall hold office until he is either removed or dies or vacates office pursuant to Article 23 and (subject to the provisions of section 303 of the Act) neither the Company in general meeting nor the directors shall have power to fill any such vacancy but the provisions of this Article may be relaxed or varied to any extent by agreement in writing between the holders of a majority of the "A" ordinary shares for the time being issued and the holders of a majority of the "B" ordinary shares for the time being issued.
- 17.3 Any director appointed pursuant to this Article 17 shall be at liberty from time to time to make such disclosures to the shareholder (and where such shareholder is a corporation to its holding company or any of the subsidiary companies of such holding company) appointing him as to the business and affairs of the Company as he shall in his absolute discretion determine.
- 17.4 Except in the manner provided by this Article and Article 18 no person shall be appointed to fill any vacancy occurring in the office of director and neither the Company in general meeting nor the directors shall have power to fill any such vacancy.
18. The holders of all the "A" ordinary shares and all the "B" ordinary shares may jointly from time to time by notice in writing signed by them and left at or sent by registered post to the registered office for the time being of the Company appoint additional directors and by like notice remove any director so appointed and at any time and from time to time by like notice appoint any other person to be a director in place of the director so removed or in the place of or in addition to any director appointed under this article.

19. A director need not hold any shares of the Company to qualify him as a director but he shall be entitled to receive notice of and attend at all general meetings of the Company and at all separate general meetings of the holders of any class of shares in the capital of the Company.
20. Subject to the terms of the Shareholders' Agreement, the directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability or obligation of the Company or of any third party.
21. Subject to the terms of the Shareholders' Agreement, a director entitled to vote may vote as a director in regard to any contract or arrangement in which he is interested, or upon any matter arising thereout, and if he does so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration and Regulation 94 shall be modified accordingly.
22. The office of director shall be vacated if the director:-
  - 22.1 becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - 22.2 becomes prohibited from being a director by reason of any order made under the provisions of the Company Directors Disqualification Act 1986; or
  - 22.3 in the opinion of all his co-directors becomes incapable by reason of mental disorder of discharging his duties as director; or
  - 22.4 resigns his office by notice in writing to the Company; or
  - 22.5 is removed from office under Article 17 or 18.
- 23.1 Any director may by writing under his hand appoint any other person to be his alternate and every such alternate shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of the directors and, in the absence from the board of the director appointing him, to attend and vote at meetings of the directors and to exercise all the powers, rights, duties and authorities of the director appointing him. A director may at any time revoke the appointment of an alternate appointed by him, and subject to such approval as aforesaid appoint another person in his place, and if a director shall die or cease to hold the office of director the appointment of his alternate shall thereupon cease and determine. An alternate director shall not be counted in reckoning the maximum number of directors allowed by the articles of association for the time being. A director acting as alternate shall have an additional vote at meetings of directors for each director for whom he acts as alternate but he shall count as only one for the purpose of determining whether a quorum be present.
- 23.2 Every person acting as an alternate director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the director appointing him. The remuneration of any such alternate director shall be payable out of the remuneration payable to the director appointing him, and shall consist of such portion of the last-mentioned remuneration as shall be agreed between the alternate and the director appointing him.

24. The quorum necessary for the transaction of the business of the directors shall be two directors comprising one "A" director and one "B" director (or their alternates) present at the commencement and throughout the whole of the meeting (save to the extent that no "A" Director or "B" Director is appointed as a director of the Company). A meeting of the directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the directors. If a quorum is not present within half an hour of the time fixed for the meeting the meeting shall stand adjourned until the same day in the next week at the same time and place.
25. Any such resolution in writing as is referred to in Regulation 93 may consist of several documents in the like form each signed or approved by letter telex or cable by one or more of the directors for the time being entitled to vote at a meeting of the directors and Regulation 93 shall be modified accordingly.
26. (a) The first chairman of the board shall be nominated by the holders of a majority of the "B" ordinary shares and such nominee shall, subject to paragraph (c) below, remain as chairman until the second anniversary of the date of adoption of these Articles.
- (b) Subject to paragraph (c) below, thereafter the chairman of the Company shall be nominated by the holders of a majority of the "A" and "B" ordinary shares in turn such nominee to be chairman for a period of two years.
- (c) If at any time the holders of "A" ordinary shares hold a different nominal amount of the issued share capital of the Company from the holders of "B" ordinary shares then the holders of "A" ordinary shares (if they hold more shares) or the holders of "B" ordinary shares (if they hold more shares) shall together have the right to remove and appoint the chairman from time to time, and there shall be no rotation of the chairman's position.
- (d) The chairman shall not have a casting vote at any board meeting and Regulation 88 shall be modified accordingly. If the chairman is not present at any board meeting then the other director appointed by the same shareholder shall act as Chairman for the purpose of the meeting. The chairman shall not be entitled to any remuneration referable to his position as chairman.
27. The directors may delegate any of their powers to committees upon which both the "A" Directors and "B" Directors shall be represented (save to the extent that no "A" Director or no "B" Director (as appropriate) has been appointed as a director of the Company). Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed by the directors. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or without exclusion of their own powers and may be revoked or altered.
28. The meetings and proceedings of any committee of the directors formed pursuant to Article 28 shall be governed by the provisions of these Articles regulating the meetings and proceedings of the directors, so far as the same are applicable and are not superseded by any regulations made by the directors pursuant to Article 28.

29. Any director or alternate director or member of a committee of the directors may participate in a meeting of the directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in the meeting in this manner shall be deemed to constitute presence in person at such meeting.
30. The directors may from time to time appoint one or more of their body to hold any executive office in the management of the business of the Company including the office of chief executive or managing or joint managing or deputy or assistant managing director as the directors may decide for such fixed term or without limitation as to period and on such terms as they think fit and a director appointed to any executive office shall (without prejudice to any claim for damages for breach of any service contract between him and the Company) if he ceases to hold the office of director from any cause ipso facto and immediately cease to hold such executive office.
31. All decisions of the Board shall require the approval of at least one "A" Director and one "B" Director (save to the extent that no "A" Director or no "B" Director (as appropriate) has been appointed as a director of the Company). Regulation 88 shall be modified accordingly.

#### **CAPITALISATION OF PROFITS**

32. The following proviso shall be added to paragraph (b) of Regulation 110: "provided that the resulting shares distributed to the holders of the "A" ordinary shares shall be "A" ordinary shares and those distributed to the holders of the "B" ordinary shares shall be "B" ordinary shares and provided further that all new shares shall be issued in accordance with Article 5".

#### **CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS**

33. Any one of the directors or the secretary for the time being of any corporation which is a member of the Company, or any other person appointed by resolution of the directors or other governing body of such corporation, may (subject to the articles of association of that corporation) act as its representative at any meeting of the Company or any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.
34. Any one of the directors or the secretary for the time being of the Company or any other person appointed by resolution of the directors or other governing body of the Company may act as its representative at any meeting of any corporation of which the Company is a member or of any class of members of such corporation and the person so authorised shall be entitled to exercise the same powers on behalf of the Company as the Company could exercise if it were an individual member of that corporation.

#### **THE SEAL**

- 35.1 If the Company has a seal it shall only be used with the authority of the directors or of a committee of directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by

the secretary or a second director. The obligation under Regulation 6 relating to the sealing of share certificates shall apply only if the Company has a seal.

- 35.2 The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the directors.

#### **INDEMNITY**

- 36.1 Every director or other officer (other than the auditors) of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal or in connection with any application under section 144 or section 727 of the Act, in which relief is granted to him by the court, and no director or other officer (other than the auditors) 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 in so far as its provisions are not avoided by section 310 of the Act.
- 36.2 The directors shall have the power to purchase and maintain for any director or officer (other than the auditors) of the Company insurance against any such liability as is referred to in section 310(1) of the Act.

#### **RELATIONSHIP TO FACILITIES AGREEMENT**

- 37.1 Notwithstanding any other provisions of these Articles or provisions of law no payment shall be declared or made by the Company by way of dividend or other distribution, purchase, redemption, reduction or return of shares or capital or by addition to or repayment of any divided reserve if and to the extent that such payment is prohibited or restricted by the terms of the Facilities Agreement or the Inter-creditor Deed. No dividends or other distributions payable in respect of shares, whether pursuant to the provisions of these Articles or otherwise shall constitute a debt of the Company unless permitted to be paid in accordance with the Funding Agreement or the Inter-creditor Deed.
- 37.2 Where any dividend or redemption payment is not made because of the provisions of Article 38.1 such dividend shall be paid or redemption payment made upon the necessary consent being obtained or the bar thereon ceasing to apply.

#### **RELATIONSHIP TO SHAREHOLDERS' AGREEMENT**

38. In the event that any provision of these Articles is inconsistent with any express provision of the Shareholders' Agreement, then the provisions of the Shareholders' Agreement shall take precedence and the relevant provision of the Articles shall, to the extent that it is inconsistent, not take effect.