

No. 03907297

THE COMPANIES ACT 1985 (AS AMENDED)

Company limited by shares

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RESOLUTIONS

of

EASYRENTACAR LIMITED  
(the "Company")

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At an Extraordinary General Meeting of the Company duly convened and held on 6 July, 2001 the following resolutions were passed as ordinary resolutions:

**Special resolutions**

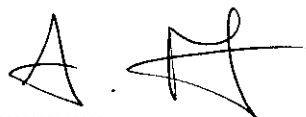
1. That the existing Ordinary Shares in the Company shall be converted into A Shares with the rights attaching thereto set out in the Articles of Association of the Company adopted pursuant to resolution 3 below.
2. That the objects of the Company as contained in the Memorandum of Association in the form produced to the Meeting and initialled by the Chairman for the purposes of identification only be and are hereby adopted as the Company's objects in substitution for the existing objects of the Company.
3. That the Articles of Association of the Company in the form produced to the Meeting and initialled by the Chairman for the purposes of identification only be and are hereby adopted as the Company's Articles of Association in substitution for the existing Articles of Association of the Company.
4. That, subject to the passing of the next resolution, the Board be and is hereby empowered pursuant to Section 95 of the Companies Act 1985 to allot equity securities (within the meaning of Section 94 of the said Act) pursuant to the authority conferred by the previous resolution as if sub-section (1) of Section 89 of the said Act did not apply to any such allotment, PROVIDED THAT this power shall be limited to the allotment of equity securities up to an aggregate nominal value of £50 million and shall expire upon the renewal of this power or, if earlier, at the conclusion of the next Annual General Meeting of the Company after the

Three handwritten signatures or initials are located at the bottom right of the page. The first is a circular stamp-like signature. The second is a stylized signature. The third is a vertical line with a small mark at the top.

passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

#### Ordinary Resolutions

5. That, pursuant to section 80 of the Companies Act 1985, the directors be and they are hereby authorised generally and unconditionally to allot relevant securities (as defined in section 80 of the Companies Act 1985) up to an aggregate nominal amount of £50 million provided that this authority, unless renewed, shall expire on the date three months from the date on which this resolution is passed save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot the relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.
6. That, the Company's share capital be reorganised from 50 million Ordinary Shares of £1 each into 10,378,763 A Shares of £1 each, 3,470,694 B Shares of £1 each and 36,150,543 Ordinary Shares, pursuant to section 121 of the Companies Act 1985 (as amended).



.....  
Chairman of the Meeting



3907297

**THE COMPANIES ACT 1985**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**EASYRENTACAR LIMITED\***

**INCORPORATED THE 14 DAY OF JANUARY 2000**

**REGISTERED NUMBER 03907297**

**Slaughter and May**  
**35 Basinghall Street**  
**London EC2V 5DB**  
**EJDH/PCXR**

**CD011870042**

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\* Adopted pursuant to Special Resolution passed at an Extraordinary General Meeting held on 6th July, 2001

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COMPANY LIMITED BY SHARES

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MEMORANDUM OF ASSOCIATION<sup>1</sup>

OF

EASYRENTACAR LIMITED

1. The name of the Company is "EASYRENTACAR LIMITED"
2. The Registered Office of the Company will be situate in England.
3. The objects for which the Company is established are:-
  - (A) (1) To carry on the business or businesses of general merchants, exporters, importers, manufacturers, factors, hirers, mail order dealers, brokers and dealers both wholesale and retail in all articles of commercial, industrial, scientific, surgical, manufacturing, personal and household use and consumption, ornament, recreation and amusement, proprietors of shops, warehouses, workshops, garages, offices and factories of all kinds, hotels, cafes, restaurants, houses laundrettes, flats, furnished and unfurnished rooms, and to buy, develop, lease and deal generally in land whether freehold or leasehold, holiday camps, and chalets, financial agents, and brokers, accountants, investments agents, insurance agents and brokers, builders, decorators, contractors, carpenters, joiners, civil, mechanical, heating, electrical, motor and general engineers, welders, computer programmers, operators, analysts, designers and software writers and suppliers, film, video and record producers and publishers, printers, stationers, theatrical agents, booking agents, chemists, grocers, clothiers, garment manufacturers, textile suppliers, jewellers and dealers in precious gems and stones and metals of all kinds, greengrocers, tobacconists, newsagents, confectioners, funeral directors, undertakers, bookmakers, caterers, consultants, haulage contractors, shippers and freight forwarders, estate agents, hairdressers, photographers, security contractors, insulation contractors,

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<sup>1</sup> This Memorandum was adopted by Special Resolution passed at an Extraordinary General Meeting held on 6th July, 2001

detective agents, car hirers and to act as dealers generally in electrical and electronic goods and services and to supply travel services and facilities of all kinds including sporting facilities and grounds and goods, and to supply double glazing, insulation and security systems and services of all kinds and to supply goods and services of all kinds by mail order and to supply telecommunication goods, services and to run nightclubs, repair and manufacture aircraft, supply agricultural services and expertise, book keeping, architectural services, surveying, draughtsmen and to undertake cleaning services of all kinds.

- (2) To undertake and execute agency or commission work and to act generally as agents, factors and brokers for the sale and purchase of goods and the provision of services and travel
- (B) To carry on any other trade or business which can, in the opinion of the Directors of the Company, be advantageously carried on by the Company in connection with or as ancillary to any of the above businesses of the general business of the Company.
- (C) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate, or interest in land, buildings, rights, privileges, easements, lands, licences, machinery plant, processes of all kinds, stock in trade and any real or personal property of any kind, necessary, convenient or useful or advantageous to the general business of the Company.
- (D) To borrow, raise or secure payment of money for the purpose of, or in connection with the business of the Company and for the purpose of raising money for the Company to become a member of any building society.
- (E) To construct, enlarge, alter and erect and maintain roads, railways, sidings, bridges, reservoirs, shops, stores, buildings, factories, works, plant and machinery used in connection with the business of the Company and to enable any of the above to be effected by any third party.
- (F) To mortgage and charge the undertaking, and all or any of the real and personal property and other assets, whether present or future, and all or any of the uncalled capital of the Company, and to issue at par or at a premium or discount, and for such consideration and with such rights, powers and privileges as may be thought fit, debentures and debenture stock, either permanent or redeemable or repayable and collaterally or to secure any securities of the Company by any trust deed or other assurance of any kind and to guarantee, support or secure, whether by direct obligation or covenant or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the company or by issuing any security of the

Company by way of mortgage, or by any one or more or all of such methods or by any other method, and whether or not the Company receives any advantage, therefore, the performance of any obligations or commitments and the repayment or payment of the principal amounts of, or the premiums, interest and dividends from any securities of any person, firm or company, including (without prejudice to the generality of the foregoing) any company which is, for the time being, the subsidiary company or holding company of the Company or as a subsidiary of such a holding company or which is otherwise directly or indirectly associated with the Company in business or through shareholdings.

- (G) To receive money on deposit or loan upon such terms as the Company may approve and generally to act as bankers for customers and others.
- (H) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange, and all other negotiable instruments of all kinds.
- (I) To make advances to customers and others with or without security, as the Company sees fit, and to guarantee the liabilities, obligations and contracts of customers and others and the dividends, interest and capital of the stocks, shares or securities of any Company in which this Company is a member or otherwise interested.
- (J) To grant pensions, allowances, gratuities and bonuses to officers or ex-officers, employees or ex-employees of the Company or its predecessors in the business or the dependants of such persons and to establish, support or aid in the establishment and support of any schools or other educational, scientific, literary, religious or charitable institutions or societies, whether they are connected with the business of the Company or its predecessors or not and to establish and maintain any club or benefit fund or profit sharing scheme for the interests or advancement or education of the Company or its officers or other persons employed whether past or present by the Company.
- (K) To pay for any property or rights of any kind acquired by the Company or by its agents on its behalf either in cash or fully or partly paid up shares, with or without preferred or deferred or special rights or restrictions in respect of dividends, repayments of capital, voting rights or otherwise, or by any securities which the Company has power to issue, or partly in one method and partly in another, and generally on such terms and the Company may approve.
- (L) To invest and deal with all moneys of the Company not immediately required for the purposes of the business of the Company in or upon such investments and such manner as may be determined at any time by the Company.

- (M) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, whether in cash, by instalments or other methods, or in fully or partly paid up shares or stock of any Company or Corporation, with or without preferred or deferred or special rights or restrictions in respect of dividends, repayment of capital, voting or otherwise, or in debenture stock, mortgages, debentures, mortgage debentures or other securities of any Company or Corporation, or partly in one method and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any stocks, shares or securities so acquired.
- (N) 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 which this Company is authorised to carry on, or 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.
- (O) To 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 person 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 to directly or indirectly benefit this Company, and to acquire and hold, deal, sell or dispose of any stocks, shares or securities of or other interests in any such Company and to guarantee the contracts or liabilities of, or subsidise or assist in any other manner any such Company.
- (P) To sell, improve, manage, develop, turn to account, exchange, let or rent, royalty, share of profits or otherwise, grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets of the Company and for such consideration as the Company may think fit.
- (Q) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction, if any, required by Law.
- (R) To carry on all or any other above business in any part of the world, either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.
- (S) To do all such other things as are incidental or conducive to the above objects or any of them.

It is hereby declared that no inference should be drawn or any restrictive interpretation implied that the objects of the Company specified above should be distinct one clause from another and separate and in the order in which they are listed.

4. The liability of the members is Limited.

5. The Share Capital of the Company is £50,000,000<sup>2</sup> divided into 10,378,763 A Shares of £1 each, 3,470,694 B Shares of £1 each and 36,150,543 Ordinary Shares of £1 each<sup>3</sup>.

We, the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names.

NAMES AND ADDRESSES OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
FOR AND ON BEHALF OF PARAMOUNT PROPERTIES (U.K.) LIMITED 229 NETHER STREET, LONDON N3 1NT	ONE
FOR AND ON BEHALF OF PARAMOUNT COMPANY SEARCHES LIMITED 229 NETHER STREET, LONDON N3 1NT	ONE

<sup>2</sup> The share capital of the Company was increased to £50,000,000 by an Ordinary Resolution passed on 2nd December, 2000

<sup>3</sup> The share capital of the Company was reorganised pursuant to an Ordinary Resolution passed at a General Meeting of the Company on 6th July, 2001



DATED THIS 1 JULY 1998

WITNESS TO THE ABOVE SIGNATURES:-

FOR AND ON BEHALF OF  
PARAMOUNT COMPANY  
FORMATIONS LIMITED  
229 NETHER STREET,  
LONDON N3 1NT

CD011870042

3907297

THE COMPANIES ACT 1985  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
EASYRENTACAR LIMITED\*

INCORPORATED THE 14 DAY OF JANUARY 2000

REGISTERED NUMBER 03907297

Slaughter and May  
35 Basinghall Street  
London EC2V 5DB  
(EJDH/PCXR)

CA011860098

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\* Adopted pursuant to Special Resolution passed at an Extraordinary General Meeting held on 6th July, 2001

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COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

OF

EASYRENTACAR LIMITED<sup>1</sup>

INTERPRETATION

1. Subject as hereinafter provided, the regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (hereafter referred to as "Table A") shall apply to the company.
2. The expression "the Act" in these Articles refers to the Companies Act 1985 and any Statutory modifications currently in force.
3. In these articles unless the context otherwise requires:

A Director	a director appointed by the A Shareholders
A Shareholder	a holder of the A Shares in the capital of the company
Adoption Date	the date of adoption of these Articles of Association
B Director	a director appointed by the B Shareholders
B Shareholder	a holder of the B Shares in the capital of the company
Bank	Uberior Investments Plc of Level 2, New Uberior House, 11 Earl Grey Street, Edinburgh EH3 9BN
Board (or Directors)	the board of directors of the company as constituted from time to time
Business	the business of running and operating a vehicle rental company which is carried on by easyRentacar (UK)

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<sup>1</sup> These Articles of Association were adopted by Special Resolution passed at an Extraordinary General Meeting held on 6th July, 2001

## Limited

Change of Control	the transfer by easyGroup of 50 per cent. or more of the share capital of the company which it owns as at the Adoption Date to any person or persons not being a shareholder at the Adoption Date or a Permitted Transferee acting either individually or in concert with another (within the meaning given in the City Code of Takeovers and Mergers as in force at the Adoption Date)
Deferred Shares	shares of 0.001p each having the rights set out in article 12
easyGroup	easyGroup Limited, a company registered in Jersey with company no. 73113, whose registered office is at PO Box 453, Esplanade, St Helier, Jersey, Channel Islands, JE4 8WG
Final Current Value	the value of the company immediately prior to adoption of these articles as determined on the occurrence of the Valuation Event in accordance with article 12(C)
Group	the company and each and any of its subsidiaries from time to time
Investor	NBG Private Equity Fund LP whose registered office is situated at Old Change House, 128 Queen Victoria Street, London EC4V 4HR or any management company acting on its behalf or such other person as it may nominate as its <i>manager</i>
Investor Group	the Investor and the Bank and their Permitted Transferees
Liquidation	the liquidation or winding up of the company
Listing	a successful application being made for all or any of the Ordinary Shares to be admitted to the Official List of London Stock Exchange plc or to trading on the Alternative Investment Market of the London Stock Exchange plc or to any other Recognised Investment Exchange
New Ordinary Shares	Ordinary Shares resulting from the conversion of the A Shares and the B Shares on a Valuation Event
Ordinary Shares	ordinary shares of £1 each in the capital of the company
Permitted	a transfer of shares pursuant to article 17

## Transfer

Permitted Transferee	a person, firm or unincorporated association to whom or which shares have been transferred pursuant to a Permitted Transfer
Recognised Investment Exchange	shall have the meaning given in Section 207 of the Financial Services Act 1986
Restricted Transferor	easyGroup or its Permitted Transferees and any B Shareholder
Sale	the sale of any Ordinary Shares to any person resulting in that person together with any person acting in concert with that person (within the meaning given in the City Code on Takeovers and Mergers as in force from time to time) giving rise to a Change of Control or the sale or other disposal of the whole or substantially the whole of the undertaking of the Group
Shareholders	the holders of A Shares, B Shares and Ordinary Shares
Transfer Notice	a notice served by a Restricted Transferor pursuant to article 18
Valuation Event	means (i) a Listing; or (ii) a Sale; or (iii) a Liquidation

4. The company is a private company and accordingly no invitation or offer shall be made to the public (whether for cash or otherwise) to subscribe for any shares in or debentures of the company, nor shall the company allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the company with a view to all or any of those shares or debentures being offered for sale to the public.

## SHARE RIGHTS

5. The shares of the company shall be at the disposal of the Directors, who may allot, grant options over or otherwise dispose of them to such persons at such times and on such conditions as they think fit, subject to the provisions of the following articles and Section 80 of the Act.

6. Authorised Share Capital

The authorised share capital of the company at the date of adoption of this article is £50,000,000 divided into 36,150,543 Ordinary Shares, 10,378,763 A Shares and 3,470,694 B Shares.

7. General

Subject to the provisions of the Act and to any rights attached to existing shares, any share may be issued with or have attached to it such rights and restrictions as the company may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may decide.

8. The Ordinary Shares, the A Shares and the B Shares

The special rights and restrictions attached to the Ordinary Shares, the A Shares and the B Shares are set out in articles 8 to 13. In all other respects the Ordinary Shares, the A Shares and the B Shares shall rank on a *pari passu* basis.

9. Income

The A Shares, the B Shares and the Ordinary Shares shall rank *pari passu* with respect to distribution of profits.

10. Capital

On a Liquidation, the assets of the company available to Shareholders:

- (A) shall be applied amongst the holders of the A Shares, the B Shares and the Ordinary Shares *pari passu*, but on an as converted basis after giving effect to the provisions of article 11, PROVIDED THAT such distribution results in the holders of the B Shares receiving in aggregate a sum of not less than £12,500,000; or
- (B) if the proviso in article 10(A) is not satisfied, shall be applied in the following order of priority:
  - (i) first in paying the holders of B Shares pro rata to their holding of B Shares an amount in aggregate equal to £12,500,000;
  - (ii) secondly, in paying to each holder of the A Shares and the Ordinary Shares an amount equal to the aggregate subscription price (inclusive of any premium) of the A Shares or the Ordinary Shares held by him; and
  - (iii) thirdly, in dividing the balance *pari passu*, but on an as converted basis after giving effect to the provisions of article 11, among the holders of the A Shares, the B Shares and the Ordinary Shares.

11. Conversion

- (A) Pursuant to the authority of the special resolution pursuant to which these articles were adopted, on adoption of these articles each Ordinary

Share in issue immediately prior to adoption of these articles shall automatically be redesignated as one A Share, save to the extent that such Ordinary Shares have arisen as a result of exercise of options granted under employee option arrangements.

- (B) Upon the occurrence of a Valuation Event all the A Shares or B Shares shall convert automatically into Ordinary Shares or Deferred Shares at the time immediately before completion of that Valuation Event (or, if there is more than one completion, immediately before the first completion) (the “Conversion Time”), in accordance with the following provisions of this article 11.
- (C) At the Conversion Time the A Shares shall be consolidated into one undesignated share and the share so resulting shall be sub-divided into and redesignated as:
  - (i) such number of Ordinary Shares as equals D as determined pursuant to the formulae set out in article 12; and
  - (ii) such number of Deferred Shares as have an aggregate nominal value equal to the difference between the nominal value of the undesignated share and the aggregate nominal value of the Ordinary Shares referred to in article 11(C)(i).

If the aggregate nominal value of the Ordinary Shares referred to in article 11(C)(i) exceeds the nominal value of the undesignated share, the holder of those A Shares shall be issued at the Conversion Time by way of bonus issue such number of Ordinary Shares as have an aggregate nominal value equal to that excess. If there is more than one holder of A Shares, this article 11(C) shall be applied *pari passu* among the holders of the A Shares. If at the Conversion Time there are insufficient reserves in the company to issue the bonus shares required to comply with this article, the company will prior to such bonus issue exercise its rights in respect of any Deferred Shares issued pursuant to article 11(D) in such manner and to the extent required to enable the bonus issue to proceed lawfully

- (D) At the Conversion Time the B Shares shall be consolidated into one undesignated share and the share so resulting shall be sub-divided into and redesignated as:
  - (i) such number of Ordinary Shares as equals E as determined pursuant to the formulae set out in article 12; and
  - (ii) such number of Deferred Shares as have an aggregate nominal value equal to the difference between the nominal value of the undesignated share and the aggregate nominal value of the Ordinary Shares referred to in article 11(D)(i).

If the aggregate nominal value of the Ordinary Shares referred to in article 11(D)(i) exceeds the nominal value of the undesignated share, the holder of those B Shares shall be issued at the Conversion Time by way of bonus issue such number of Ordinary Shares as have an aggregate nominal value equal to that excess. If there is more than one holder of B Shares, this article 11(D) shall be applied *pari passu* among the holders of the B Shares. If at the Conversion Time there are insufficient reserves in the company to issue the bonus shares required to comply with this article, the company will prior to such bonus issue exercise its rights in respect of any Deferred Shares issued pursuant to article 11(C) in such manner and to the extent required to enable the bonus issue to proceed lawfully.

12. (A) For the purposes of this article 12 the following terms shall have the following meanings:

A = Number of A Shares, being 10,378,763

B = Number of B Shares, being 3,470,694

C = Final Current Value

D = Number of Ordinary Shares resulting from the conversion of the A Shares

=  $A + B - E$

=  $13,849,457 - E$

E = Number of Ordinary Shares resulting from the conversion of the B Shares

F = Number of Ordinary Shares over which options have been granted at the Valuation Event, including those issued Ordinary Shares resulting from exercise of options prior to such time

G = Number of shares relevant in determining the value of the company at the Valuation Event

=  $A + B + F$

=  $13,849,457 + F$

H = Total amount to be paid to the company (and remaining unpaid) at the Valuation Event by way of exercise price in respect of the Ordinary Shares over which options have been granted



I = the Future Value of the company, being:

(a) if the Valuation Event is a Listing:

(G x the flotation issue price of an Ordinary Share (assuming the same rights attach to such Ordinary Shares as to the converted Ordinary Shares)) – H

(b) if the Valuation Event is a Sale:

(G x the consideration per Ordinary Share realised on Sale) – H

(c) if the Valuation Event is a Liquidation:

(G x the net assets per Ordinary Share available to shareholders on the liquidation) – H

(B) On the occurrence of a Valuation Event where the Final Current Value is equal to £37,380,000, the A Shares and B Shares will convert into New Ordinary Shares on a one for one basis.

(C) On the occurrence of a Valuation Event where the Final Current Value is not equal to £37,380,000, the A Shares and B Shares will convert into such numbers of New Ordinary Shares as are determined pursuant to the following provision:

For a Valuation Event occurring on the fourth anniversary of the Adoption Date:

(i) If I ≥ £350 million then C = £52.50 million

(ii) If I = £250 million then C = £37.38 million

(iii) If I ≤ £150 million then C = £22.26 million

For any value of I between £150 million and £350 million, the corresponding value of C shall be determined by straight line interpolation between these points.

Applying the value of C to the following formulae determines the value of D and E.

$$(i) \quad E = \frac{(12,500,000)}{(C + 12,500,000)} \times 13,849,457$$

$$(ii) \quad D = 13,849,457 - E$$

- (D) For a Valuation Event occurring after the fourth anniversary of the Adoption Date, the values of I in the table above shall be increased at a daily simple rate of 0.1% (up to a maximum of 73% after 730 days) while the values of C in the table in paragraph (C) of this article 12 shall remain the same.
- (E) For a Valuation Event occurring prior to the fourth anniversary of the Adoption Date, the values in the table above shall be decreased so the resulting values of I when increased by a 0.1% daily simple rate would result in the same fourth anniversary values as set out in article 12(C) (subject to a minimum value of 73.26% of such fourth anniversary values at the third anniversary of the Adoption Date or any earlier date), while the value of C in each case remains the same.
- (F) Following the Conversion Time:
- (i) the company shall give written notice to each former holder of A Shares or B Shares of the number of Ordinary Shares and Deferred Shares arising from the conversion and, upon receipt of such notice, the former holder shall surrender to the company at the office the share certificate(s) for his holding of A Shares or B Shares as the case may be and, upon receipt of the surrendered certificate(s), the company shall deliver to the former holder a new certificate for his Ordinary Shares and Deferred Shares arising from the conversion;
  - (ii) the name of each former holder of A Shares or B Shares shall be entered in the register as the holder of the number of Ordinary Shares and Deferred Shares arising from the conversion, credited as fully paid up, in place of the A Shares or B Shares; and
  - (iii) the Ordinary Shares arising from conversion or issued by way of bonus shares pursuant to article 11 shall rank *pari passu* in all respects with the Ordinary Shares which were already in issue.
- (G) The holders of the Deferred Shares shall not be entitled to any dividend or other right to participate in the profits of the company and shall not be entitled to receive notice of any general meeting of the company or to attend, speak or vote at any such meeting; and, on a winding-up, after each holder of Ordinary Shares shall have been paid not less than £100,000,000 per share, there shall be paid to the holders of the Deferred Shares the nominal capital paid up or credited as paid up on such Deferred Shares. The holders of the Deferred Shares shall not be entitled to any further right of participation in the assets of the company.
- (H) Only a resolution amending or deleting article 12(G) shall be considered a variation of the rights attaching to the Deferred Shares and, without limiting the foregoing, the reduction of capital paid up on

the Deferred Shares and/or the creation, allotment or issue of further shares in the capital of the company ranking in priority for payment of a dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by the Deferred Shares shall be deemed not to vary the rights attaching to the Deferred Shares.

- (I) The consolidation and sub-division under articles 12(B) and 12(C) shall be deemed to confer irrevocable authority on the company at any time thereafter to do all or any of the following without obtaining the sanction of the holder or holders of the Deferred Shares:
- (i) to appoint any person to execute on behalf of any holder of Deferred Shares a transfer of all or any thereof and/or an agreement to transfer the same (without making any payment therefor) to such person as the board may determine (whether or not an officer of the company) and who is willing to accept the same;
  - (ii) to acquire all or any of the same in accordance with the Act without obtaining the consent of the holders thereof and for no consideration or for an aggregate consideration of 1p;
  - (iii) for the purposes of any such acquisition, to appoint any person to execute on behalf of any holder of Deferred Shares such document(s) as the company may consider necessary or desirable to give effect to the acquisition by the company of any such Deferred Shares held by him;
  - (iv) to cancel all or any of the same so acquired in accordance with the Act; and
  - (v) pending any such transfer, acquisition or cancellation, to retain the certificates for all or any of the Deferred Shares.
- (J) Upon or after the acquisition of any Deferred Shares in accordance with article 12(I), the Board may, pursuant to the authority of the special resolution of the company pursuant to which these articles were adopted, consolidate and/or sub-divide and/or convert and/or re-classify the authorised Deferred Share capital of the company existing following such acquisition:
- (iv) into shares of any other class of share capital into which the authorised share capital of the company is or may at that time be divided of a like nominal amount as the shares of such other class; and/or
  - (v) into unclassified shares.

### 13. Voting

The holders of the A Shares, the B Shares and the Ordinary Shares shall be entitled to receive notice of and to attend and vote at general meetings of the company, with each such share entitling the holder to one vote on a poll.

### 14. Issue of Shares

14.1 Sections 80 and 90(1) to (6) inclusive of the Act shall not apply to the company.

14.2 Other than for the issue of shares upon conversion of the B Shares and the A Shares, or the issue of shares pursuant to options, all shares or equity securities (being securities convertible into shares in the company) which the company proposes to allot wholly for cash shall first be offered for subscription by the A Shareholders and B Shareholders on a pro rata basis, subject to the provisions of article 14.2. The shares or equity securities shall be offered to such members as follows:

- (A) the offer shall be made by notice in writing to all the A Shareholders and B Shareholders specifying the number and class of shares on offer and limiting the time (not being less than 21 nor more than 30 days) within which the offer may be accepted;
- (B) acceptances shall be given to the company by notice in writing and in such acceptance the applicant shall state the number of the shares on offer for which he is willing to subscribe; and
- (C) after the expiration of such offer period or after the company shall have received notice of the acceptance or as the case may be refusal of such offer from every A Shareholder and B Shareholder (whichever shall be the earlier event) the Board shall allot the shares offered to the members accepting the offer to and amongst the applicants who are registered as holders of the A Shares and B Shares and, to the extent that there is competition between such applicants, pro rata to the number of A Shares or B Shares of which they are respectively registered or deemed to be registered as holders, provided that no applicant shall be obliged to take more than the maximum number of offer shares specified by him in his application as aforesaid.

14.3 After the expiration of the periods described above, or upon receipt by the company of an acceptance or refusal of every offer so made, the Board shall be entitled to dispose of any shares so offered, and which are not required to be allotted in accordance with this article, in such manner as the Board may think most beneficial to the company save that the subscription price shall not be less than the price offered to the members pursuant to this article.

14.4 The Board may determine that it shall be a term of an offer made pursuant to this article that the acceptors shall also subscribe for the same proportion of

other securities to be issued by the company as is equal to the proportion of the number of shares being offered for which they subscribe.

- 14.5 Any person proposing to acquire or subscribing for shares (other than persons acquiring or subscribing shares in connection with the exercise of any employee option arrangements) shall be required to enter into a deed of adherence in the form approved by the company in respect of their shareholding before being registered as a member of the company.

- 14.6 (A) In determining the proportion of shares which the A Shareholders and B Shareholders are entitled to subscribe pursuant to article 14.2, the following terms shall have the following meanings:

A = Number of A Shares, being 10,378,763

B = Number of B Shares, being 3,470,694

C = Issue Time Current Value

D = Number of Ordinary Shares which would have resulted from the conversion of the A Shares at the date of the new issue

E = Number of Ordinary Shares which would have resulted from the conversion of the B Shares at the date of the new issue

F = Number of Ordinary Shares over which options have been granted at the date of the share issue, including those issued Ordinary Shares resulting from exercise of options prior to such time

G = Number of shares relevant in determining the value of the company at the date of the share issue

= A + B + F

= 13,849,457 + F

P = subscription price of a new share (assuming same rights as one Ordinary Share)

n = period between Completion and the relevant share issue expressed as a percentage of years (being the number of days ÷ 365), subject to a maximum of 5

- (B) Applying the value of P to the following formulae determines the values of E and D:

$$C = \frac{P \times G}{(1.469)^n} - 12,500,000$$

subject to a maximum value of C of 37,380,000 and a minimum of 22,260,000

$$E = \frac{12,500,000}{(C + 12,500,000)} \times 13,849,457$$

$$D = 13,849,457 - E$$

- (C) The proportion of shares which the B Shareholders are entitled to subscribe at the relevant issue is  $\frac{E}{G}$
- (D) The proportion of shares which the A Shareholders entitled to subscribe at the relevant issue is  $\frac{D}{G}$

14.7 The company will not seek to issue new shares unless prior to such issue the Board has given due consideration to the issue and is comfortable that:

- (A) the proper purpose of such issue is to raise capital to fund the operational purposes of the Business or its development or to maintain its strategic position or fund repayment of debt which unduly constrains the Business; and
- (B) the price at which the shares are issued in the reasonable opinion of the Board, is not less than one that reflects a reasonable price for the shares in the circumstances prevailing at the time.

14.8 The Company will utilise vehicle financing to the full extent sensibly available in the market.

#### TRANSFERS OF SHARES

##### 15. General

15.1 Regulation 8 in Table A shall not apply so that the company shall hold no lien over any shares whether fully or partly paid.

15.2 The Directors shall recognise any transfer of any share in the company, whether fully paid or not, where such transfer is required by any person as a result of enforcement or the perfection of any security granted to such person over the share and accordingly, Regulation 24 in Table A shall not apply to the company.

## 16. Prohibited Transfers

- 16.1 Notwithstanding anything else in these Articles, other than pursuant to a disposal of shares under article 20 (Compulsory Sale) after the fifth anniversary of the Adoption Date or a Permitted Transfer pursuant to article 17 below, there shall, for so long as the Investor Group and/or any of their Permitted Transferees holds more than 10 per cent. of the B Shares, be no disposal of any A Shares or B Shares to any person other than to a bona fide third party certified by a leading investment bank appointed by the Board to be a "fit and proper person" having undertaken a similar process as is required by the Financial Services Authority for a firm's money laundering procedures when taking on new clients, who has entered into a deed of adherence in a form approved by the company.
- 16.2 Completion of a transfer of shares pursuant to article 16 shall take place in accordance with the provisions of article 21.

## 17. Permitted Transfers

- 17.1 There shall be no disposals of any interest in either Ordinary Shares, A Shares or B Shares by any Restricted Transferor, for so long as the Investor Group and/or any of their Permitted Transferees holds more than 10 per cent. of the B Shares, except for the following disposals by a Restricted Transferor:
- (a) to a trustee, nominee, custodian or to a company owned or controlled by the Restricted Transferor or by any parent company or controlling shareholder of the Restricted Transferor or its parent company,
  - (b) to a Co-Investment Scheme or any nominee for, or administrator for (or other vehicle which is to hold shares for) a Co-Investment Scheme; or to any member or participant in (or the legal representative or participant of) a Co-Investment Scheme,
  - (c) to any employee of a Restricted Transferor or of any other entity referred to in paragraph (a) above or to any B Director,

unless the provisions of article 20 or articles 18 and 19 are complied with in full.

- 17.2 In addition following the Adoption Date the Investor shall be free to sell up to 347,222 B Shares in accordance with the following provisions without applying the provisions of articles 18 to 20:
- (a) the sale of such shares (the "Initial Sale") shall be completed within six months of the Adoption Date;
  - (b) in the first instance, the Initial Sale shall be offered exclusively to one of the funds managed by NBG Venture Capital ("NBGI Greece");

- (c) if NBGI Greece declines to acquire the B Shares the Investor may seek to sell them to one or more financial institutions able readily to invest with available cash or funds drawn under pre-committed facilities approved by easyGroup (such approval not to be unreasonably withheld) from a list of up to five institutions as agreed with easyGroup by the Investor;
- (d) information disclosed to the Investor prior to the Adoption Date may be disclosed to NBGI Greece or any financial institution approved by easyGroup pursuant to (c) above;
- (e) if the Investor fails to sell such B Shares to any institution noted in (c) above, then in any further attempt to market the B Shares the Investor may disclose company wide information not broken down by country, site, vehicle or period to financial institutions with a bona fide interest in acquiring shares in the company provided that such institution does not have a material conflicting interest in any competing business (and where there is such a conflicting interest, with the consent of easyGroup (such consent not to be unreasonably withheld or delayed)). In addition, the Investor may disclose any information to any third party provided that easyGroup has given consent to the identity of the recipient and nature of the information to be disclosed (such consent not to be unreasonably withheld). Any disclosure of any information pursuant to this article shall be made subject to the terms of a confidentiality agreement between the recipient of the information, the company and the Investor in a form reasonably satisfactory to easyGroup .

17.3 Completion of a transfer of shares pursuant to article 17 shall take place in accordance with the provisions of Article 21.

#### 18. Rights of pre-emption

18.1 Save as provided in article 17 (Permitted Transfers), the right of any holder of A Shares or B Shares to transfer shares or any interest in shares shall, for so long as the Investor Group and/or any of their Permitted Transferees holds more than 10 per cent. of the B Shares, be subject to the restrictions and provisions set out in this article 18 and articles 19 (Tag Rights) and 20 (Compulsory Sale). References in this article to Sale Shares shall include any interest in, and the grant of contractual rights or options over or in respect of, such shares.

18.2 Any holder of A Shares or B Shares (the "**Proposing Transferor**") proposing to transfer any shares (the "**Sale Shares**") shall be required before effecting, or purporting to effect, the transfer, to give notice in writing (a "**Transfer Notice**") to the Company that he desires to transfer the Sale Shares (the date of such notice being referred to in this article as the "**Notice Date**") and shall state in the Transfer Notice the identity of the person (if known) to whom the Restricted Transferor desires to transfer the beneficial interest in the Sale



Shares. The Transfer Notice shall constitute the company his agent for the sale of the Sale Shares (together with all rights attached thereto) at the Prescribed Price (as determined in accordance with article 18.3 during the Prescribed Period (as defined in article 18.5)) to the holders of A Shares or B Shares.

- 18.3 The Prescribed Price shall be the price contained in a bona fide offer received from a third party by the Proposing Transferor not more than one month before the Notice Date.
- 18.4 The Board shall be entitled to satisfy themselves that such offer is bona fide, for the consideration stated in the offer without any deduction, rebate or allowance whatsoever to the purchaser, and adjust the Prescribed Price accordingly.
- 18.5 The Prescribed Period is 28 days and shall commence on the date on which the Prescribed Price is determined pursuant to article 18.3. Pending such determination the Board shall defer the making of the offer mentioned in article 18.2.
- 18.6 The Sale Shares included in any Transfer Notice shall by notice in writing be offered by the company forthwith on receipt (subject to article 19.5) of the relative Transfer Notice to the other A Shareholders and B Shareholders pro rata to their respective holdings of shares on the basis that all A Shares and B Shares have been constituted one class for purchase at the Prescribed Price. In the event of competition between the holders of A Shares and B Shares, the Sale Shares shall be sold to them in proportion (as nearly as may be) to their existing holdings of A Shares and B Shares as if the same constituted the same class as at the Notice Date such offer shall remain open for acceptance during the Prescribed Period and shall stipulate that any recipient of the Transfer Notice wishing to purchase a number of Sale Shares in excess of the proportion to which he is entitled shall in his acceptance state how many excess Sale Shares he wishes to purchase and any shares not accepted by the Shareholders shall be used for satisfying any such request for excess Sale Shares.
- 18.7 The Proposing Transferor shall not be obliged to sell any Sale Shares unless the sale of all Sale Shares is completed simultaneously.
- 18.8 If following the offer of his shares pursuant to this article none of the Proposing Transferor's shares have been acquired he will be free to sell to a third party provided that it will not be at a price per share lower than that at which they were offered and subject to the provisions of article 19 (Tag Rights).
- 18.9 Completion of a transfer of shares pursuant to article 18 shall take place in accordance with the provisions of article 21.
- 19. Tag Rights for Shares
- 19.1 Subject to the provisions of articles 17, 18 and 20 and save for a Permitted Transfer, no Shareholder holding more than 2.5 per cent. of the entire issued

share capital of the company (the "Selling Shareholder") shall, for so long as the Investor Group and/or any of their Permitted Transferees holds more than 10 per cent. of the B Shares, transfer or otherwise dispose of the whole or any part of its interest in, or grant any option or other rights over, any of its shares in the capital of the company to a third party unless it procures that such third party offers to buy from any other Shareholder (the "Tagging Shareholder") (at a price per share equal to the highest price per share and on the same terms offered to the Selling Shareholder for its shares in the capital of the company) such proportion of the shares in the capital of the company held by the Tagging Shareholder as is equal to the proportion which the shares in the capital of the company being disposed of by the Selling Shareholder bears to the total holding of shares in the capital of the company (including the shares to be sold) held by the Selling Shareholder and if the Tagging Shareholder wishes to take up the offer referred to above, in whole or in part, having given notice within 7 days of receipt of a notice from the Selling Shareholder, he shall acquire from the Tagging Shareholder the shares in question at the relevant price simultaneously with the acquisition from the Selling Shareholder of the shares in the capital of the company to be sold.

19.2 In the event that a sale by a Selling Shareholder pursuant to article 20.1 shall give rise to a Change of Control of the company, then each member of the Investor Group will have the right to sell and require that all of its shares be bought (and not just a proportion) in accordance with the provisions of article 20.1 regardless of the percentage of B Shares owned by the Investor Group.

19.3 Completion of a transfer of shares pursuant to article 19 shall take place in accordance with the provisions of article 21.

## 20. Compulsory Sale

20.1 If after the fifth anniversary of the Adoption Date no Listing has taken place the B Shareholders have the right to compel:

(A) a Listing; or

(B) a disposal of the entire share capital or undertaking or business of the company in accordance with the compulsory transfer provisions of articles 20.2 - 20.3 (a "Company Sale"),

at any time when the Investor and the Bank hold more than 10 per cent. of the B Shares.

20.2 If at any such time the B Shareholders intend to sell all of their holding of shares in the company in pursuance of article 20.1 (the shares to be sold by the B Shareholders being referred to as "Target Shares") to a proposed purchaser(s) ("the Purchaser") and easyGroup has declined to make an offer or the B Shareholders have declined to accept such an offer in each case to their rights under an investment and shareholders agreement between them and others dated 6th July 2001, the B Shareholders shall have the right to give

to the company and all Shareholders not less than 14 days' advance notice (the "Drag Notice") before selling the Target Shares.

- 20.3 Immediately upon receipt of the Drag Notice all Shareholders shall be required if notified in writing by the B Shareholders or the company to sell to the Purchaser upon the expiry of the 14 day period referred to in article 20.2 all of its holding of shares on the same terms as those contained in the Drag Notice (a "Compulsory Sale Notice").
- 20.4 If any Shareholder (the "Defaulting Shareholder(s)") fails to comply with the terms of a Compulsory Sale Notice given to it, the company shall be constituted the agent of the Defaulting Shareholder(s) for the sale of its/their shares in accordance with the Compulsory Sale Notice (together with all rights then attached thereto) and the Board or the B Shareholders may authorise any person to execute and deliver on behalf of the Defaulting Shareholder(s) the necessary transfer(s) and the company may receive the purchase money in trust for the Defaulting Shareholder(s) and cause the Purchaser to be registered as the holder of such shares. The receipt of the company for the purchase money, pursuant to such transfers, shall constitute a good and valid discharge to the Purchaser (who shall not be bound to see to the application thereof) and after the Purchaser has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person. The company shall not pay the purchase money due to the Defaulting Shareholder(s) until it shall, in respect of the shares being the subject of the Compulsory Sale Notice, have delivered its share certificates or a suitable indemnity and the necessary transfers to the company. No Shareholder shall be required to comply with a Compulsory Sale Notice unless the Investor Group sell the Target Shares to the Purchaser upon expiry of the 14 day period referred to in article 22.2, subject at all times to the Investor Group being able to withdraw the Drag Notice at any time prior to the expiry of the 14 day period referred to in article 22.2 by giving notice to the company to that effect, whereupon each Compulsory Sale Notice shall cease to have effect.
- 20.5 Completion of a transfer of shares pursuant to article 20 shall take place in accordance with the provisions of article 21.

## 21. Completion of Transfers

### 21.1 Encumbrances and rights

Where this article 21 applies to the transfer of any share, the share shall be transferred free of encumbrances and with all rights attaching thereto.

### 21.2 Obligations at completion

Upon completion of any transfer of shares:-

- (A) the seller shall deliver to the purchaser(s) a duly executed transfer in favour of the purchaser(s) together with the certificate representing the

relevant shares and a power of attorney in a form and in favour of a person nominated by the purchaser, so as to enable the purchaser, pending registration, to exercise all rights of ownership in relation to the shares transferred to it including, without limitation, the voting rights;

- (B) the purchaser shall pay the aggregate transfer price in respect of the relevant shares to the seller by bankers' draft for value on the date of completion or in such other manner as may be agreed by the seller and the purchaser before completion;
- (C) the purchaser shall enter into a Deed of Adherence in the form agreed by the Company; and
- (D) the seller shall do all such other acts and/or execute all such other documents in a form satisfactory to the purchaser as the purchaser may reasonably require to give effect to the transfer of shares to it.

#### 21.3 Security power of attorney

- (A) Each of the Shareholders hereby irrevocably and unconditionally (and by way of security for the performance of its obligations as a shareholder) appoints any Director its attorney to execute and do in its name or otherwise and on its behalf all documents, acts and things which the attorney shall in its absolute discretion consider necessary or desirable in order to implement the obligations of that Shareholder under this article 21.
- (B) Each Shareholder undertakes to ratify whatever any Director as its attorney shall lawfully do or cause to be done in accordance with this power of attorney and to indemnify and keep such attorney indemnified from all claims, costs, expenses damages and losses which the attorney may suffer as a result of the lawful exercise by him of the powers conferred on him under this power of attorney.
- (C) This power of attorney shall remain in force in relation to each Shareholder for as long as such Shareholder continues to hold shares in the capital of the Company.

#### 21.4 Failure to transfer

If a transfer of shares is executed on behalf of a Shareholder under article 21.3 (Security power of attorney):-

- (A) the Company may receive the purchase money in trust for that Shareholder and the receipt of the Company for the purchase money shall be a good discharge for the purchaser, who shall not be bound to see to the application of the purchase money;

- (B) the Company shall, subject to the instrument of transfer being duly stamped, cause the purchaser to be registered as holder of the relevant shares; and
- (C) once registration has taken place in purported exercise of the power contained in this article 21.4, the validity of the proceedings shall not be questioned by any person.

## DIRECTORS

- 22. The Directors shall meet at least ten times per year in London (unless a majority of the Board expressly agree otherwise).
- 23. Each meeting of the Directors shall be called on not less than three days notice given by the Company or any one of the members of the Board (unless consent to such meeting being held on short notice is received in writing from each director by the Secretary) and such meetings shall be conducted in English.
- 24. All or any of the Directors may take part in a meeting of the directors by way of a conference telephone or any communication equipment which allows everybody to take part in the meeting by being able to hear each of the other people at the meeting and by being able to speak to all of them at the same time. A person taking part in this way will be treated as being present at the meeting and will be entitled to vote and be counted in the quorum.
- 25. Constitution of the Board of Directors
  - (A) Regulation 64 in Table A shall not apply to the company.
  - (B) Regulation 65 in Table A shall not apply to the company.
  - (C) Regulation 89 in Table A shall not apply to the company.
  - (D) The Board of Directors shall consist of a minimum of five directors of which, for so long as the Investor Group and/or any of their Permitted Transferees holds more than 10 per cent. of the B Shares, two shall be non-executive directors, appointed by the holders of the B Shares (in accordance with article 25(H)) and at least three shall be appointed by the holders of the A Shares.
  - (E) The holders of the B Shares shall, for so long as the Investor Group and/or any of their Permitted Transferees holds more than 10 per cent. of the B Shares, be entitled to appoint any person to be the alternate director of any B Director with the consent of the Board of Directors (which shall not be unreasonably withheld or delayed). Any A Director may appoint any other director, or any other person willing to act, to be his alternate director and may remove an alternate director so appointed by him.

- (F) The quorum for the transaction of the business of the directors shall be two, comprised, for so long as the Investor Group and/or any of their Permitted Transferees holds more than 10 per cent. of the B Shares, (and further provided that there is at least one B Director in office) of one A Director and one B Director. In these circumstances, no meeting of the directors shall be quorate unless at least one A Director and one B Director is present or each such A Director or B Director (as the case may be) has given notice to the Board that the meeting may proceed in his absence, save that such notice will be deemed given in respect of any regular board meeting held on three weeks' notice or more if no A Director or B Director is present at such meeting.
- (G) A sole Director shall have the authority to exercise all powers and discretions conferred by these articles and Table A.
- (H) The B Shareholders shall, for so long as the Investor Group and/or any of their Permitted Transferees holds more than 10 per cent. of the B Shares, have the right to appoint and maintain in office a maximum of two non-executive directors and to remove any director so appointed. Upon such removal from office, the B Shareholders shall have the right to appoint a replacement for such director to act in his place.
- (I) Appointment and removal of the B Directors by the B Shareholders shall be by written notice to the company and shall take effect on delivery at the registered office of the company or at any meeting of the Board or committee thereof.
- (J) Regulations 73, 74, 75, 76, 77, 78, 79, 80, 82 and 118 in Table A shall not apply to the company.
- (K) No person shall be appointed a Director at any General Meeting unless:-
  - (i) he is recommended by the Directors; or
  - (ii) not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the company of the intention to propose that person for appointment stating the particulars which would, if he were so appointed be required to be included in the company's Register of Directors together with notice executed by that person of his willingness to be appointed.

## 26. Indemnity of officers

Subject to the provisions of the Act, the company may purchase and maintain for any director or other officer or auditor insurance against any liability. Subject to those provisions, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer

of the company and the auditors shall be indemnified out of the assets of the company against any liability incurred by him as a director or other officer of the company, or as auditor, in defending any proceedings (whether civil or criminal) in which judgment is given in his favour or he is acquitted or in connection with any application under the Act in which relief is granted to him by the court.

NAMES AND ADDRESSES OF SUBSCRIBERS
<p>FOR AND ON BEHALF OF PARAMOUNT PROPERTIES (U.K.) LIMITED 229 NETHER STREET, LONDON N3 1NT</p>
<p>FOR AND ON BEHALF OF PARAMOUNT COMPANY SEARCHES LIMITED 229 NETHER STREET, LONDON N3 1NT</p>

DATED THIS 1 JULY 1998

WITNESS TO THE ABOVE  
SIGNATURES:-

FOR AND ON BEHALF OF  
PARAMOUNT COMPANY  
FORMATIONS LIMITED  
229 NETHER STREET,  
LONDON N3 1NT