

Cofunds Holdings Limited – Shareholder resolution – Articles Change (Oct 2007)

Company No. 04022350

**WRITTEN RESOLUTION**  
of  
**COFUNDS HOLDINGS LIMITED**

FRIDAY



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23/11/2007  
COMPANIES HOUSE

Pursuant to Regulation 53 of Table A set out in the Schedule to the Companies (Tables A to I) Regulations 1985 (as incorporated into the Articles of Association of the Company and as amended by Article 7)

WE, the undersigned, being or representing the members of the Company holding not less than 75 per cent of the total voting rights and for the time being entitled to receive notice of and attend and vote at a general meeting of the Company, **HEREBY RESOLVE** the following with the intent that such Resolution shall be as valid and effective as if it had been passed at an Extraordinary General Meeting of the Company duly convened and held

**SPECIAL RESOLUTION**

THAT the articles of association of the Company be and are hereby amended into the form attached to this resolution.

Please signify your agreement to the resolution above by signing below

  
for and on behalf of  
**NEWHOUSE CAPITAL PARTNERS, LLC**

Date 31 October 2007

  
for and on behalf of  
**NEWHOUSE CAPITAL PARTNERS II, LLC**

Date 31 October 2007

for and on behalf of  
**PRUDENTIAL UK SERVICES LIMITED**

Date ... October 2007

for and on behalf of  
**THREADNEEDLE ASSET MANAGEMENT HOLDINGS LIMITED**

Date ... October 2007

Date 24 October 2007

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for and on behalf of  
**INTERNATIONAL FINANCIAL DATA  
SERVICES LIMITED**

for and on behalf of  
**BOSTON FINANCIAL DATA SERVICES  
INC**

Date *30* October 2007

Date October 2007

for and on behalf of  
**JUPITER INVESTMENT MANAGEMENT  
GROUP LIMITED**

for and on behalf of  
**LEGAL & GENERAL PARTNERSHIP  
HOLDINGS LIMITED**

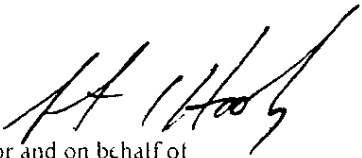
Date October 2007

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Cofunds Holdings Limited – Shareholder resolution – Articles Change (Oct 2007)

for and on behalf of  
**INTERNATIONAL FINANCIAL DATA  
SERVICES LIMITED**

Date October 2007

  
for and on behalf of  
**BOSTON FINANCIAL DATA SERVICES  
INC**

Date 31 October 2007

for and on behalf of  
**JUPITER INVESTMENT MANAGEMENT  
GROUP LIMITED**

Date October 2007

for and on behalf of  
**LEGAL & GENERAL PARTNERSHIP  
HOLDINGS LIMITED**

Date October 2007

for and on behalf of  
**INTERNATIONAL FINANCIAL DATA  
SERVICES LIMITED**

Date October 2007

  
for and on behalf of  
**JUPITER INVESTMENT MANAGEMENT  
GROUP LIMITED**

Date October 2007

for and on behalf of  
**BOSTON FINANCIAL DATA SERVICES  
INC**

Date October 2007

for and on behalf of  
**LEGAL & GENERAL PARTNERSHIP  
HOLDINGS LIMITED**

Date October 2007

Date 31 October 2007

(No 04022350)

**THE COMPANIES ACTS 1985 to 1989**

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**PRIVATE COMPANY HAVING A SHARE CAPITAL**

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**ARTICLES OF ASSOCIATION**

- of -

**COFUNDS HOLDINGS LIMITED**  
**(the “Company”)**

(adopted by a written resolution passed on 31 October 2007)

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**PRELIMINARY**

1 In these Articles, any reference to

“**A Director**” means a director of the Company appointed by a holder of A Ordinary Shares under Article 17,

“**A Ordinary Share**” means an A ordinary share of one pence in the capital of the Company,

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

“**Article**” means the appropriate article of these articles,

**“Award Agreement”** means the agreement pursuant to which the holder of G Common Shares or H Common Shares acquired his G Common Shares or H Common Shares,

**“B Common Share”** means a B common share of one pence in the capital of the Company,

**“Board”** means the board of directors of the Company from time to time or a duly authorised committee of such board,

**“Business Day”** means a day (excluding a Saturday, Sunday or public holiday) on which banks are generally open for business in London,

**“Companies Acts”** has the meaning given by section 744 of the Act and includes any enactment passed after those Acts which may, by virtue of that or any other such enactment, be cited together with those Acts as the “Companies Acts” (with or without the addition of an indication of the date of any such enactment),

**“D Shares”** means shares in the capital of the Company which are designated as D Shares with a nominal value of 0 1 pence;

**“G Common Share”** means a G common share of 0 1 pence in the capital of the Company,

**“Group”** means a company, every other company which is for the time being a subsidiary of that company, its holding company and every company which is for the time being a subsidiary of such holding company,

**“H Common Share”** means a H common share of 0 1 pence in the capital of the Company,

**“Members’ Agreement”** means any agreement entered into from time to time between the Company and some or all of its members,

**“Regulations”** means the regulations set out in Table A (and **“Regulation”** shall be construed accordingly),

**“Share”** means a share in the capital of the Company (of whatever class), and

**“Table A”** means Table A as 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)

- 2 The Company is a private company The Regulations, 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 (pursuant to section 80 of the Act and subject to any Members' Agreement and 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 Subject to the terms of any Members' Agreement, the directors may allot any relevant securities (as defined by section 80(2) of the Act) of the Company up to a nominal amount equal to the authorised but unissued share capital of the Company as 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 2 shall expire on the fifth anniversary of the date of 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 2 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
- 3 6 Any creation or allotment of any shares or lawful purchase by the Company of its own shares of any class shall be deemed not to be a variation of the rights of the holders of that or any other class of shares in the capital of the Company unless otherwise provided by these Articles or by the rights attached to the shares of that or such other class of shares

## RIGHTS ATTACHING TO SHARES

- 4 1 The authorised share capital of the Company at the date of the adoption of these Articles is £4,248,034 24 divided into 410,762,321 A Ordinary Shares, 5,094,688 B Common Shares, 26,397,411 G Common Shares, 18,334,665 H Common shares and 44,732,076 D Shares
- 4 2 The A Ordinary Shares, B Common Shares, G Common Shares, H Common Shares and D 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
- 4 3 The B Common Shares, G Common Shares and H Common Shares will not carry any right to receive notice of, nor to attend, speak or vote (in person or on a poll) at any general meeting of the Company
- 4 4 Subject to the second sentence of this Article 4 4 and to Article 4 6 2, any dividend or other distribution declared by the Company shall be paid on the Shares *pari passu* according to the number of Shares held by each member, as if they were all shares of the same class The G Common Shares and H Common Shares carry no right to receive any dividend or distribution Regulation 104 in Table A as it applies to the Company shall be modified accordingly

4 5 Subject to Article 4 6, upon a liquidation, dissolution or winding up of the Company (whether voluntary or involuntary) or other return of capital the assets of the Company available for distribution to shareholders shall be distributed amongst the holders of the Shares of each class in the capital of the Company pari passu according to the number of Shares held by each member, as if they were all shares of the same class, except that the G Common Shares and H Common Shares shall entitle the holders thereof to participate in such distribution only to the extent of the value calculated in accordance with this Article 4 5

4 5 1 The G Common Shares shall entitle the holders thereof to participate in such distribution only to the extent of the value calculated in accordance with the following formula

$$A = (B - C)/D$$

Where

A = the amount of distribution per share payable to holders of G Common Shares

B = the assets available for distribution to the holders of all of the Shares

C = £60 million

D = the sum of the number of A Ordinary Shares, B Common Shares, G Common Shares and H Common Shares in issue at the date of the liquidation, dissolution or winding up of the Company

4 5 2 The H Common Shares shall entitle the holders thereof to participate in such distribution only to the extent of the value calculated in accordance with the following formula

$$E = (B - F)/D$$

Where

E = the amount of distribution per share payable to holders of H Common Shares

B = the assets available for distribution to the holders of all of the Shares

F = £110 million

D = the sum of the number of A Ordinary Shares, B Common Shares, G Common Shares and H Common Shares in issue at the date of the liquidation, dissolution or winding up of the Company

- 4 6 The special rights, restrictions and provisions applicable to the D Shares are as follows
- 4 6 1 The D Shares shall carry no right to receive notice of or to attend or vote at any general meeting of the Company
- 4 6 2 Subject to Article 4 6 4, the D Shares shall carry no right to receive any dividend or other distribution whether of capital or income
- 4 6 3 The D Shares shall carry no right to receive a share certificate
- 4 6 4 The D Shares shall entitle the holders on a return of capital in a liquidation, dissolution or winding up of the Company (whether voluntary or involuntary) or other return of capital, to receive the nominal amount of each such share but only after the holder of each A Ordinary Share shall have received the amount paid up or credited as paid up on such A Ordinary Share together with a payment of £10,000,000 per A Ordinary Share and the holders of D Shares shall not be entitled to any further participation in the assets or profits of the Company
- 4 6 5 The Company shall have irrevocable authority at any time to appoint any person to execute on behalf of the holders of the D Shares a transfer of them and/or an agreement to transfer them, without making any payment to their holders, to such person or persons as the Company may determine and, in accordance with the provisions of the Act, to purchase all, but not some only, of the D Shares then in issue at a price not exceeding one pence for all the D Shares

## **FURTHER ISSUES OF SHARES**

- 5 1 Save as the holders of the A Ordinary Shares (other than any person holding less than 1% of the A Ordinary Shares then in issue) shall otherwise unanimously agree in writing
- 5 1 1 upon any issue of A Ordinary Shares, the directors shall first offer any A Ordinary Shares to be issued to the holders of A Ordinary Shares in proportion to the number of A Ordinary Shares then held by them respectively,
- 5 1 2 each such offer shall be made by notice in writing specifying the total number of A Ordinary Shares being offered to holders of A Ordinary Shares, the proportionate entitlement of the member to whom the offer is made and the price per Share on which such offer is made (which shall be the same for each A Ordinary Share) and shall require each member to state in writing within the period (not being less than fourteen days or more than twenty eight days) specified in the notice (the “**Notice Period**”) whether (and to what extent) he is willing to take up his proportionate entitlement and, to the extent that the other holders of A Ordinary Shares fail to do so, the maximum number of the said A

Ordinary Shares in excess of his proportionate entitlement that he is willing to acquire,

5 1 3 any such offer, if (and to the extent) not accepted within the Notice Period, will be deemed to be declined,

5 1 4 after the expiration of the Notice Period, to the extent that any holders of A Ordinary Shares have not taken up their proportionate entitlements, any remaining A Ordinary Shares shall be allotted to those holders of A Ordinary Shares who have indicated that they would subscribe for more than their proportionate entitlements, subject to such allocation being pro-rata (as between them) to the number of A Ordinary Shares then held by them in the event of over-subscription for such Shares,

5 1 5 any A Ordinary Shares not taken up pursuant to such offer made in accordance with this Article 5.1 or not capable of being offered as aforesaid except by way of fractions, shall be under the control of the directors, who (subject to the terms of any Members' Agreement) may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit

5 2 No B Common Shares will be issued to any person without the agreement in writing of all the holders of A Ordinary Shares (other than any person holding less than 1% of the A Ordinary Shares then in issue) at the time when the relevant agreement is given

5 3 G Common Shares may be issued without the agreement in writing of all the holders of A Ordinary Shares (other than any person holding less than 1% of the A Ordinary Shares then in issue) on terms approved by the Board (which shall include but not be limited to the execution by the recipient of an Award Agreement in a form to be determined by the Board) to an individual who is an employee of a member of the same Group as the Company

5 4 H Common Shares may be issued without the agreement in writing of all the holders of A Ordinary Shares (other than any person holding less than 1% of the A Ordinary Shares then in issue) on terms approved by the Board (which shall include but not be limited to the execution by the recipient of an Award Agreement in a form to be determined by the Board) to an individual who is an employee of a member of the same Group as the Company

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, 10 or 38 or pursuant to the written agreement of all the holders of A Ordinary Shares (other than any person holding less than 1% of the A Ordinary Shares then in issue) for the time being
- 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 any Members' Agreement, first entered into an appropriate deed of adherence
- 8 4 Unless the directors resolve otherwise in relation to any particular transfer, the directors shall decline to register any transfer of B Common Shares made otherwise than in accordance with Article 10 4 or Article 38 by a Relevant Executive if and to the extent that a Transfer Notice (as defined in Article 10 2) would have been deemed to be given in relation to those Shares pursuant to Article 10 5 if that person had ceased to be a Relevant Executive (as defined in that Article) immediately before the transfer was made.

## PERMITTED TRANSFERS

- 9 1 For the purpose of this Article and Articles 10, 17 and 38
- 9 1 1 the word "**company**" includes any body corporate,
- 9 1 2 an "**associate**" means with respect to any specified person, any person that, directly or indirectly, controls, is controlled by or is under direct or indirect common control with, such specified person;
- 9.1 3 the terms "**controlled by**" and "**under direct or indirect common control with**" shall mean in the case of a body corporate, the ownership, directly or indirectly, of more than fifty percent (50%) of the voting shares or securities of such body corporate or the ability to appoint a majority of the members of the board of directors of such body corporate;
- 9 1 4 the expression a "**member of the same Group**", in relation to any company, means
- 9 1 4 1 any other company which is for the time being its subsidiary, or
- 9 1 4.2 any company of which it is the subsidiary or any other subsidiary of such company, or
- 9 1 4 3 any associate of that company,
- 9 1 5 the expression "**subsidiary**" shall have the meaning ascribed thereto in section 736 of the Act,

- 9 1 6 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,
- 9 1 7 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), and
- 9 1 8 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 bonus issue 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

9 2 Any Shares may be transferred at any time

- 9 2 1 by any member being a body corporate to a member of the same Group as the Transferor Company, and
- 9 2 2 to any person with the consent in writing of all the holders of A Ordinary Shares (other than any person holding less than 1% of the A Ordinary Shares then in issue),

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 (whether directly or by a series of transfers under Article 9 2 1) the Relevant shares were derived, it shall be the duty of the Transferee Company forthwith to notify the directors in writing that such event has occurred and the Transferee Company shall be deemed to have transferred all such Relevant shares back to the Transferor Company or another member of the same Group as the Transferor Company (any such transfer being deemed to be authorised under the foregoing provisions of this Article 9) and the Board shall be deemed to be the Transferee Company’s agent authorised to execute an instrument of transfer and do all such other acts and things on behalf of the Transferee Company as may be required to effect such transfer

#### **PRE-EMPTION RIGHTS ON TRANSFERS**

- 10 1 Except in the case of a transfer or disposal permitted under Article 9, the right to transfer or otherwise 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 therein (the “**Sale Shares**”), any member proposing to transfer or dispose of the same (the “**Proposing Transferor**”) shall give a notice in writing (“**Transfer Notice**”) to the Company that he desires to transfer or dispose of the same The Transfer Notice shall constitute the

Company the agent of the Proposing Transferor for the sale of the Sale Shares (together with all rights and obligations attached thereto) at the Prescribed Price (determined in accordance with Article 10 3, Article 10 4, Article 10 8 or Article 10 9, as the case may be) and shall (if relevant) include the identity of any proposed transferee and the total consideration for which such proposed transferee has agreed to acquire the Sale Shares. The Transfer Notice shall not be revocable except with the consent of the Board.

10 3 In relation to any transfer of A Ordinary Shares by a Proposing Transferor

10 3 1 notwithstanding any of the following provisions of this Article 10 3, unless all the holders of A Ordinary Shares at the date the Transfer Notice is given (other than any person holding less than 1% of the A Ordinary Shares then in issue) otherwise consent, no holder of A Ordinary Shares shall be permitted, as a consequence of accepting an offer to acquire A Ordinary Shares pursuant to a Transfer Notice, to become the registered holder (when aggregated with any A Ordinary Shares registered in the name of members of the same Group as the said holder of A Ordinary Shares) of more than 25% of the A Ordinary Shares then in issue and any offers of Sale Shares made by the Company as agent for the Proposing Transferor pursuant to a Transfer Notice shall be made on this basis,

10 3 2 before the Proposing Transferor gives the Transfer Notice it shall procure that any A Ordinary Shares held by a member of the same Group as the Proposing Transferor are transferred to the Proposing Transferor,

10 3 3 the Proposing Transferor may only give a Transfer Notice in respect of all the A Ordinary Shares held by it,

10 3 4 if an offer has been made by a bona fide arm's length purchaser for the all Sale Shares (a "**Third Party Offer**"), then the total consideration offered shall constitute the "**Prescribed Price**" for the purposes of the Transfer Notice,

10 3 5 if no Third Party Offer has been made but the Proposing Transferor and the Board have agreed a price per Sale Share (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 date of issue of the Transfer Notice then such price shall be the "**Prescribed Price**" for the purposes of the Transfer Notice,

10 3 6 if no Third Party Offer has been made and the Proposing Transferor and the Board have not agreed a price per Share at the date the Transfer Notice is served, the Board shall within 7 days of receipt of the relevant Transfer Notice appoint an investment bank of international standing (an "**Investment Bank**"), which shall act as an expert and not an arbitrator to determine and give an opinion as to the fair value of the Sale Shares as at the date of the Transfer Notice. The determination of the fair value of the Sale Shares by the Investment Bank shall (in the absence of gross or manifest error) be final and binding on the relevant parties and shall be

the “**Prescribed Price**” for the purposes of the Transfer Notice. The Investment Bank shall be instructed to give its determination by way of certificate in writing to the Board and the Proposing Transferor within 14 days of it being appointed and at the cost of the Proposing Transferor,

- 10.3 7 there shall be deducted from the Prescribed Price so agreed or determined, save to the extent that the same 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, determination of the Prescribed Price, which is to be retained by the Proposing Transferor,
- 10 3 8 if the Proposing Transferor is not willing to sell the Sale Shares at the Prescribed Price in the event of a determination of the Prescribed Price by the Investment Bank, then the Proposing Transferor may within a period of five Business Days following the date of delivery of the determination of such Prescribed Price by the Investment Bank withdraw the Sale Shares from sale by serving notice on the Company to that effect and in such circumstances the Transfer Notice shall be deemed to have been withdrawn,
- 10 3 9 within five Business Days of the date of the Transfer Notice or (if applicable) the determination of the Prescribed Price by the Investment Bank, the Sale Shares shall be offered by the Company by notice in writing to all the holders of A Ordinary Shares (other than the Proposing Transferor) for purchase at the Prescribed Price on terms that, in the case of competition, the Sale Shares shall be sold to the holders of A Ordinary Shares 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 holdings of A Ordinary Shares. Such notice shall state that in the case of applications being received for less than the total number of Sale Shares, the holders of A Ordinary Shares shall be entitled to purchase more than their proportionate entitlements and shall require the holders of A Ordinary Shares to stipulate the maximum number of Sale Shares in excess of their proportionate entitlements that they would be willing to acquire provided that, in the case of competition, any remaining Sale Shares shall be allocated between them in proportion to their existing holdings of A Ordinary Shares. Such offer shall be open for acceptance for a period of 10 Business Days from the date of service of such notice (the “**Prescribed Period**”) and in default of acceptance shall lapse,
- 10 3 10 if the Company shall within the Prescribed Period find holders of A Ordinary Shares (“**Purchasers**”) to purchase all of the Sale Shares it shall give notice in writing thereof to the Proposing Transferor who shall be bound upon payment of the Prescribed Price to transfer the Sale Shares to the relevant Purchasers. Such notice shall state the name and address of each Purchaser and the number of Sale Shares agreed to be purchased by it, and the sale and purchase of the Sale Shares shall be completed at the Company’s registered office (or such other venue as agreed between the



relevant parties) on the date falling ten Business Days after the date of such notice, and

10 3 11 if the Company does not within the Prescribed Period find Purchasers willing to purchase all the Sale Shares it shall give notice in writing thereof ("**Second Notice**") to the Proposing Transferor and the other members holding A Ordinary Shares and the Company shall appoint an Investment Bank at the Company's cost to identify potential purchasers of the remaining Sale Shares (the "**Remaining Shares**") The Investment Bank shall be instructed to offer the Remaining Shares to all interested parties for purchase at the Prescribed Price on terms that any sale shall be concluded within a period of two months from service of the Second Notice (the "**Second Period**") During the Second Period the Proposing Transferor shall also be entitled to transfer the Remaining Shares to a third party purchaser of similar financial standing to the Proposing Transferor on terms that such sale shall be at an overall consideration no less than the Prescribed Price and that the sale shall be concluded prior to the expiry of the Second Period In the event that during the Second Period the Proposing Transferor identifies a third party purchaser who is willing to enter into a binding agreement to purchase the Remaining Shares at the Prescribed Price (or higher) the Proposing Transferor shall immediately notify the Company and the Company shall terminate the appointment of the Investment Bank If no purchaser for the Remaining Shares is identified by the Investment Bank or the Proposing Transferor the Transfer Notice shall be deemed to have been withdrawn upon expiry of the Second Period

10 4 Subject to Article 8 4, the following provisions will apply in relation to any actual, proposed or deemed transfer of B Common Shares

10 4 1 the Proposing Transferor may only give a Transfer Notice in respect of B Common Shares held by it if either

10 4 1 1 a Third Party Offer has been made for the Sale Shares, in which case the "**Prescribed Price**" for the Sale Shares shall be the total consideration offered pursuant to the Third Party Offer, or

10 4.1.2 the Proposing Transferor and the Board have agreed a price per Sale Share and such agreement was reached not more than one month before the date of the Transfer Notice, in which case such price shall be the "**Prescribed Price**",

10 4 2 within 10 Business Days after a Transfer Notice is given or deemed to be given, all B Common Shares included in that Transfer Notice will be offered by the Board for purchase at the Prescribed Price by the Company or an employee trust set up by the Company or another person designated by the Company for the purposes of this Article (the "**Recipient**") The Recipient shall accept that offer in whole or in part by notice in writing to the Proposing Transferor given within 10 Business Days after the making of the offer The notice will state the name and

address of the Recipient and the number of B Common Shares agreed to be purchased by it. The Proposing Transferor will be bound upon payment of the Prescribed Price to transfer the relevant B Common Shares to the Recipient. The purchase will be completed on the date falling ten Business Days after the date on which the offer is accepted by the Recipient, and

10 4 3 If the Recipient does not accept some or all of the B Common Shares comprised in a Transfer Notice within the time allowed by this Article 10 4, the Proposing Transferor will be entitled to transfer those Shares to a third party purchaser on terms that such sale shall be at an overall consideration that is no less than the Prescribed Price and that the sale shall be concluded within 20 Business Days of the last possible date for acceptance of those Shares by the Recipient

10 5 Unless otherwise agreed in writing by the Recipient and the Company prior to the acquisition of the B Common Shares a person who subscribes for or acquires B Common Shares and is or (within six months thereafter) becomes a director or employee of the Company or any member of the same Group (a “**Relevant Executive**”), and who ceases to be a Relevant Executive at any time (the “**Departure Time**”) within the period of four years after the date on which he subscribed for or acquired those B Common Shares or, if later, the date he became a Relevant Executive (the “**Initial Date**”), will be deemed to have given a Transfer Notice in respect of all or a proportion of those B Common Shares determined as follows

<b>Period from Initial Date to Departure Time</b>	<b>Percentage of original holding comprised in Transfer Notice</b>
Up to 12 months	100%
Over 12 months up to 24 months	75%
Over 24 months up to 36 months	50%
Over 36 months up to 48 months	25%

For this purpose, any further B Common Shares acquired in consequence of the original holding of B Common Shares will be treated as if they had formed part of that original holding

10 6 Where a person who is not a Recipient (as defined in Article 10 4 2) or a Relevant Executive (as defined in Article 10 5) subscribes for or acquires B Common Shares and that person does not become a Relevant Executive within the period of six months starting on the date of subscription or acquisition he will be deemed to have given a Transfer Notice in respect of all of his B Common Shares at the end of that period

10 7 The “**Prescribed Price**” for any B Common Shares which are the subject of a Transfer Notice referred to in Articles 10.5 or 10.6 will be either

10 7 1 an amount equal to

10 7 1 1 the price paid by the Relevant Executive for such B Common Shares on subscription or acquisition, plus

10 7 1 2 the amount of any outstanding loan taken up by the Relevant Executive to cover tax liabilities arising from the subscription for or acquisition of such B Common Shares (or an appropriate proportion thereof where the loan related to other shares), or,

10 7 2 at the option of the Board, such price as the Board may consider represents the fair value of the B Common Shares concerned at the date on which the Transfer Notice is deemed to be given

10 8 The following provisions will apply in relation to any actual, proposed or deemed transfer of G Common Shares

10 8 1 the Proposing Transferor may only give a Transfer Notice in respect of G Common Shares held by it if he is so permitted under the Award Agreement,

10 8 2 each year, as soon as possible after the approval by the Board of the Company’s consolidated accounts for the previous financial year of the Company, an independent valuer appointed by the Board, which shall act as an expert and not an arbitrator, shall determine and give an opinion by way of a certificate in writing to the Board and to each holder of G Common Shares as to the market value of the Company on an unquoted minority holding basis,

10 8 3 the “**Prescribed Price**” per G Common Share for the purpose of a Transfer Notice will be determined by the following formula:

$$\text{Prescribed Price} = (A - B)/C$$

where

A = market value of the Company, determined in accordance with Article 10 8.2 for the most recently ended financial year,

B = £60 million, and

C = the sum of the number of issued A Ordinary Shares and B Common Shares and the number of authorised G Common Shares and the number of authorised H Common Shares,

provided that if B is greater than or equal to A then the Prescribed Price per G Common Share will be equal to the nominal value of each such share,

- 10 8 4 within 10 Business Days after a Transfer Notice is given, all G Common Shares included in that Transfer Notice will be offered by the Board for purchase at the Prescribed Price by such entity as the Board so resolves including an employee trust set up by the Company or another person designated by the Company for the purposes of this Article (the “**Recipient**”) at the Prescribed Price. The Recipient may accept that offer in whole or in part by notice in writing to the Proposing Transferor given within 10 Business Days after the making of the offer. The notice will state the name and address of the Recipient and the number of G Common Shares agreed to be purchased by it. The Proposing Transferor will be bound upon payment of the Prescribed Price to transfer the relevant G Common Shares to the Recipient. The purchase will be completed on the date falling 10 Business Days after the date on which the offer is accepted by the Recipient,
- 10 8 5 if the Recipient does not accept some or all of the G Common Shares comprised in a Transfer Notice within the time allowed by this Article 10 8, the Proposing Transferor will be entitled to transfer those Shares to a third party purchaser on terms that such sale shall be at an overall consideration that is no less than the Prescribed Price and that the sale shall be concluded within 20 Business Days of the last possible date for acceptance of those Shares by the Recipient, and
- 10 8 6 if the Recipient is an employee trust any G Common Shares transferred pursuant to this Article shall forthwith after such transfer automatically (and without the need for any resolution of the Company in general meeting or any resolution of the Board) be converted into and reclassified as D Shares
- 10 9 The following provisions will apply in relation to any actual, proposed or deemed transfer of H Common Shares
- 10 9 1 the Proposing Transferor may only give a Transfer Notice in respect of H Common Shares held by it if he is so permitted under the Award Agreement,
- 10.9 2 each year, as soon as possible after the approval by the Board of the Company’s consolidated accounts for the previous financial year of the Company, an independent valuer appointed by the Board, which shall act as an expert and not an arbitrator, shall determine and give an opinion by way of a certificate in writing to the Board and to each holder of H Common Shares as to the market value of the Company on an unquoted minority holding basis,
- 10 9 3 the “**Prescribed Price**” per H Common Share for the purpose of a Transfer Notice will be determined by the following formula
- $$\text{Prescribed Price} = (D - E)/C$$
- where
- D = market value of the Company, determined in accordance with Article 10 9 2 for the most recently ended financial year,

E = £110 million, and

C = the sum of the number of issued A Ordinary Shares and B Common Shares and the number of authorised G Common Shares and the number of authorised H Common Shares,

provided that if E is greater than or equal to D then the Prescribed Price per H Common Share will be equal to the nominal value of each such share,

- 10 9 4 within 10 Business Days after a Transfer Notice is given, all H Common Shares included in that Transfer Notice will be offered by the Board for purchase at the Prescribed Price by such entity as the Board so resolves including an employee trust set up by the Company or another person designated by the Company for the purposes of this Article (the **“Recipient”**) at the Prescribed Price. The Recipient may accept that offer in whole or in part by notice in writing to the Proposing Transferor given within 10 Business Days after the making of the offer. The notice will state the name and address of the Recipient and the number of H Common Shares agreed to be purchased by it. The Proposing Transferor will be bound upon payment of the Prescribed Price to transfer the relevant H Common Shares to the Recipient. The purchase will be completed on the date falling 10 Business Days after the date on which the offer is accepted by the Recipient,
- 10 9 5 if the Recipient does not accept some or all of the H Common Shares comprised in a Transfer Notice within the time allowed by this Article 10 9, the Proposing Transferor will be entitled to transfer those Shares to a third party purchaser on terms that such sale shall be at an overall consideration that is no less than the Prescribed Price and that the sale shall be concluded within 20 Business Days of the last possible date for acceptance of those Shares by the Recipient; and
- 10 9 6 if the Recipient is an employee trust any H Common Shares transferred pursuant to this Article shall forthwith after such transfer automatically (and without the need for any resolution of the Company in general meeting or any resolution of the Board) be converted into and reclassified as D Shares

### 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. Subject to Article 12, a quorum for these purposes shall be representative(s) of holders of 90% or more of the A Ordinary Shares, attending either in person, by proxy or by telephone
12. In Regulation 41 the following words are to be added at the end “and at such adjourned meeting two members present and entitled to attend and vote (of whom there shall be at least one representative of any two holders of A Ordinary Shares) shall be a quorum. 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 entitled to attend and vote and Regulation 46 shall be modified accordingly.
- 15 1 On a show of hands every member holding A Ordinary Shares who is present in person shall have one vote and on a poll every member holding A Ordinary Shares shall have one vote for every A Ordinary Share of which he is the holder
- 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 a number equal to the number of A Directors entitled to be appointed pursuant to these Articles from time to time and not more than ten
- 17 1 (a) For so long as a holder of A Ordinary Shares and/or any member of the same Group as that shareholder are between them registered as the holders of 6.5 per cent or more of the A Ordinary Shares then in issue, that holder of A Ordinary Shares shall have the right exercisable by notice in writing signed by a duly authorised officer to require the appointment of one director (each an A Director) to the Board from time to time and by like notice to require the removal of any A Director so appointed by it and the appointment of another person to act in place of such A Director
- (b) Any notice given pursuant to Article 17 1(a) shall take effect immediately upon delivery to the registered office of the Company
- 17.2 Every director appointed pursuant to this Article 17 shall hold office until he is either removed in accordance with Article 17 1 or dies or vacates office pursuant to Article 23 or any status, designation, registration or membership granted by the Financial Services Authority or other authority or statutory body which is necessary for holding office as a director lapses or is revoked, withdrawn or surrendered 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
- 17 3 (a) If at any general meeting a vote or poll is duly demanded on a resolution to remove any A Director the holder of A Ordinary Shares which appointed such A Director shall be entitled with regard to such resolution to cast one hundred votes for each A Ordinary Share of which he is the holder when voting against such resolution
- (b) If at any general meeting a poll is duly demanded on a resolution to delete or amend or override or lead to the overriding of the provisions of this Article 17 3, or to adopt any other Article which gives more than one vote per share in respect of any such resolution as aforesaid, each holder of A Ordinary Shares shall be entitled to one hundred votes for each A Ordinary Share of which it is the holder when voting against such resolution
- 17 4 Save as the holders of the A Ordinary Shares (other than any person holding less than 1% of the A Ordinary Shares then in issue) shall otherwise unanimously agree in writing and save where there are any other constraints expressly imposed upon him, any director appointed pursuant to this Article 17 shall be at liberty from time to time

to make such disclosures to the member (and where such member 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 5 Except in the manner provided by this Article 17 and Article 18 no person shall be appointed to fill any vacancy occurring in the office of A Director .
18. The holders of a majority of the A Ordinary Shares then in issue 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, whether on a voting or non-voting basis, 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 If any director shall be called upon to perform extra services or to make special exertions for any of the purposes of the Company the Company may remunerate the director so doing either by a fixed sum or by a percentage of profits or otherwise as may be determined by a resolution passed at a board meeting of the directors of the Company, and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled as a director
21. Subject to any Members' 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
- 22 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 therefrom, 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 Regulations 94 and 95 shall be modified accordingly
- 23 The office of director shall be vacated if the director
- 23 1 becomes bankrupt or makes any arrangement or composition with his creditors generally, or
- 23 2 becomes prohibited from being a director by reason of any order made under the provisions of the Company Directors Disqualification Act 1986, or
- 23 3 in the opinion of all his co-directors becomes incapable by reason of mental disorder of discharging his duties as director, or
- 23 4 resigns his office by notice in writing to the Company, or

- 23 5 is removed from office under Article 17 or 18
- 24 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 and to attend all meetings of the directors and, in the absence from the Board of the director appointing him, 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 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 a 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.
- 25 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.
- 26 Subject to any Members' Agreement, the quorum necessary for the transaction of the business of the directors shall be three directors comprising three A Directors at the commencement and throughout the whole of the meeting. 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. Any director appointed as a non-voting director under Article 18 shall not be entitled to vote on the transaction of business of the directors and shall not be counted in determining a quorum. 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 and at such adjourned meeting the quorum shall be any two A Directors.
- 27 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 or fax 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. In addition an e-mail or other electronic communication sent by a director which sets out the text of a resolution and contains a statement to the effect that the director agrees to the resolution and which has been sent to and printed out by the secretary or such other person as the directors may from time to time determine shall be deemed to be a resolution in writing signed by the director who sent it.
28. The chairman of the Company shall be nominated and removed by a resolution duly passed by a majority of the A Directors. 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 alternate director appointed by the same member shall act as Chairman for the purpose of the meeting.



- 29 The directors may delegate any of their powers to committees comprising such members as the Board sees fit provided always that each A Director shall be entitled to require that he form part of any such committee 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
30. The meetings and proceedings of any committee of the directors formed pursuant to Article 29 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 29
- 31 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
- 32 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 immediately cease to hold such executive office

### **CAPITALISATION OF PROFITS**

- 33 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 provided further that all new shares shall be issued in accordance with Article 5”

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

- 34 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
- 35 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

- 36 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
- 36 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

- 37 Subject to the provisions of the Companies Acts, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that this Article 37 shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article 37, or any element of it, to be treated as void under the Act or otherwise under the Companies Acts

### PARTICIPATION IN SALE

- 38 1 In this Article, “**Sale Event**” means the conclusion of a binding agreement between the holders of not less than eighty per cent of the A Ordinary Shares then in issue (the “**Relevant Shareholders**”) which is intended to secure that
- 38 1 1 the Company will be controlled by a person who is not already a member of the same Group as the Company (and for these purposes the definition of “control” is as set out in Article 9 1 3), or
- 38 1 2 any ordinary share capital of the Company (or of any holding company of the Company) will be admitted to listing on the Official List of the UK Listing Authority or permitted to be traded on the Alternative Investment Market of the London Stock Exchange or admitted to listing or permitted to be traded on any equivalent or similar share market in the UK or elsewhere (including NASDAQ)
- 38 2 If a Sale Event occurs or is about to occur, the Board will notify each member of the Company other than the Relevant Shareholders of that event, as soon as the Board becomes aware of it.
- 38 3 If it is agreed pursuant to or as part of a Sale Event that not less than eighty per cent of the A Ordinary Shares then in issue will be sold to any person (alone or with associates) (the “**Buyer**”), then

38 3 1 at the request of the Relevant Shareholders the Board shall give notice to each other member of the Company (the “**Sellers**”) requiring each Seller to sell his Shares to the Buyer on the same terms as are applicable in relation to the sale by the Relevant Shareholders of A Ordinary Shares under the terms of the Sale Event provided that the holders of G Common Shares or H Common Shares shall not be required to sell their G Common Shares or H Common Shares unless and then only to the extent that the Board resolves pursuant to the Award Agreement to allow such sale in which case the holder of G Common Shares or H Common Shares shall be required to sell their G Common Shares or H Common Shares for a consideration calculated in accordance with this Article

38 3 1

38 3 1 1 The consideration for the G Common Shares shall be calculated in accordance with the following formula

$$A = (B - C)/D$$

Where

A = the sale price per G Common Share,

B = the amount that the Buyer is prepared to pay to acquire the entire issued share capital of the Company (or, if the sale relates to fewer than 100% of the issued Shares, the amount the Buyer would be required to pay if the Buyer were to acquire the entire issued share capital of the Company on the same terms),

C = £60 million, and

D = the sum of the number of issued A Ordinary Shares, B Common Shares, G Common Shares and H Common Shares at the date of the Sale Event,

provided that if C is greater than or equal to B then A will be equal to the nominal value of a G Common Share,

38 3 1 2 The consideration for the H Common Shares shall be calculated in accordance with the following formula

$$E = (B - F)/D$$

Where

E = the sale price per H Common Share,

B = the amount that the Buyer is prepared to pay to acquire the entire issued share capital of the Company (or, if the sale relates to fewer than 100% of the issued Shares, the amount the Buyer would be required to pay if the Buyer were to acquire the entire issued share capital of the Company on the same terms),

F = £110 million, and

D = the sum of the number of issued A Ordinary Shares, B Common Shares, G Common Shares and H Common Shares at the date of the Sale Event,

provided that if F is greater than or equal to B then E will be equal to the nominal value of a G Common Share,

38 3.2 at the request of any member of the Company other than the Relevant Shareholders (a “**Seller**”), the Board will give notice to each Relevant Shareholder requiring the Relevant Shareholders to purchase or to procure that the Buyer will purchase all the Shares held by the Seller on the same terms as are applicable in relation to the sale by the Relevant Shareholders of “A” Ordinary Shares under the terms of the Sale Event provided that holders of G Common Shares shall not be entitled to sell their G Common Shares unless and then only to the extent that the Board resolves pursuant to the Award Agreement to allow such sale in which case the holder of G Common Shares shall be entitled to sell their G Common Shares for a consideration calculated in accordance with this Article 38 3 2

38 3 2 1 The consideration for the G Common Shares shall be calculated in accordance with the following formula

$$A = (B - C)/D$$

Where

A = the sale price per G Common Share;

B = the amount that the Buyer is prepared to pay to acquire the entire issued share capital of the Company (or, if the sale relates to fewer than 100% of the issued Shares, the amount the Buyer would be required to pay if the Buyer were to acquire the entire issued share capital of the Company on the same terms),

C = £60 million, and

D = the sum of the number of issued A Ordinary Shares, B Common Shares, G Common Shares and H Common Shares at the date of the Sale Event,

provided that if C is greater than or equal to B then A will be equal to the nominal value of a G Common Share,

38 3 2 2 The consideration for the H Common Shares shall be calculated in accordance with the following formula

$$E = (B - F)/D$$

Where

E = the sale price per H Common Share,

B = the amount that the Buyer is prepared to pay to acquire the entire issued share capital of the Company (or, if the sale relates to fewer than 100% of the issued Shares, the amount the Buyer would be required to pay if the Buyer were to acquire the entire issued share capital of the Company on the same terms),

F = £110 million, and

D = the sum of the number of issued A Ordinary Shares, B Common Shares, G Common Shares and H Common Shares at the date of the Sale Event,

provided that if F is greater than or equal to B then E will be equal to the nominal value of a H Common Share,

Following service of a notice by the Board under the above provisions, the Sellers and the Buyer (or, if Article 38 3 2 applies and the Buyer defaults, then such of the Relevant Shareholders as the relevant Seller nominates) will complete the relevant purchase of Shares no later than 10 Business Days after the giving of the relevant notice by the Board. The consideration will be payable in full without any set off. Any transfer under this Article will not be subject to the restrictions on transfer of Shares under Article 8 4 or Article 10. If and for so long as any Seller or the Buyer or any other person fails to comply with his or its obligations under this Article, the Shares held by that person will not confer any right to receive notice of or to attend or vote at any general meeting of the Company or at any separate meeting of the holders of Shares of that class.

38.4 If in any case any Seller shall not by the due date have transferred his Shares to the Buyer against payment of the relevant consideration, the directors may authorise some person to execute and deliver on his behalf any necessary transfer in favour of the Buyer and shall receive the consideration in respect of such Shares and shall thereupon (subject to the transfer being duly stamped) cause the name of the Buyer to be entered into the register of members as the holder of the relevant Shares. The Company will hold the consideration in trust for that Seller but will not be bound to earn or pay interest thereon. The issue of a receipt by the Company for the consideration shall be a good receipt for the price for the relevant Shares, but the Buyer will not be discharged from procuring that the Company applies the money in payment to the relevant Seller, which shall be made against delivery by that Seller of the certificate in respect of the relevant Shares or an indemnity reasonably satisfactory to the Board in respect of the same. After the name of the Buyer has been entered in the register of members in purported exercise of the aforesaid powers, the validity of the proceedings will not be questioned by any person.

39 Subject to Article 40, when Article 38 1 2 applies

- 39 1 the G Common Shares as a class shall convert, in accordance with the provisions of Article 41, into such number of A Ordinary Shares as has a value of A in the following formula

$$A = B \times (C/D)$$

Where

B = the number of G Common Shares in issue;

C = the market value of each G Common Share, where market value is on an as if listed basis and is defined as the price each G Common Share might reasonably be expected to fetch on a sale in the open market. This sale is recognised as taking place between a willing vendor and a willing purchaser each of whom is deemed to be acting for self-interest and gain and both of whom are equally well informed about the Company and the market within which it operates,

D = the market value of each A Ordinary Share, where market value is on an as if listed basis and is defined as the price each A Ordinary Share might reasonably be expected to fetch on a sale in the open market. This sale is recognised as taking place between a hypothetical willing vendor and a hypothetical willing purchaser each of whom is deemed to be acting for self-interest and gain and both of whom are equally well informed about the Company and the market within which it operates,

- 39 2 the H Common Shares as a class shall convert, in accordance with the provisions of Article 41, into such number of A Ordinary Shares as has a value of E in the following formula

$$E = F \times (K/D)$$

Where.

F = the number of H Common Shares in issue,

K = the market value of each H Common Share, where market value is on an as if listed basis and is defined as the price each H Common Share might reasonably be expected to fetch on a sale in the open market. This sale is recognised as taking place between a willing vendor and a willing purchaser each of whom is deemed to be acting for self-interest and gain and both of whom are equally well informed about the Company and the market within which it operates,

D = the market value of each A Ordinary Share, where market value is on an as if listed basis and is defined as the price each A Ordinary Share might reasonably be expected to fetch on a sale in the open market. This sale is recognised as taking place between a hypothetical willing vendor and a hypothetical willing purchaser each of whom is deemed to be acting for self-interest and gain and both of

whom are equally well informed about the Company and the market within which it operates,

- 39 3 the B Common Shares as a class shall convert, in accordance with the provisions of Article 41, into such number of A Ordinary Shares as has a value of L in the following formula

$$L = M \times (N/D)$$

Where

M = the number of B Common Shares in issue,

N = the market value of each B Common Share, where market value is on an as if listed basis and is defined as the price each B Common Share might reasonably be expected to fetch on a sale in the open market. This sale is recognised as taking place between a willing vendor and a willing purchaser each of whom is deemed to be acting for self-interest and gain and both of whom are equally well informed about the Company and the market within which it operates,

D = the market value of each A Ordinary Share, where market value is on an as if listed basis and is defined as the price each A Ordinary Share might reasonably be expected to fetch on a sale in the open market. This sale is recognised as taking place between a hypothetical willing vendor and a hypothetical willing purchaser each of whom is deemed to be acting for self-interest and gain and both of whom are equally well informed about the Company and the market within which it operates,

- 40 1 The number of A Ordinary Shares into which the G Common Shares will convert shall be apportioned as nearly as practicable pro rata to the number of G Common Shares held by each holder of G Common Shares immediately before conversion, with any fractional entitlements being rounded down
- 40 2 The number of A Ordinary Shares into which the H Common Shares will convert shall be apportioned as nearly as practicable pro rata to the number of H Common Shares held by each holder of H Common Shares immediately before conversion, with any fractional entitlements being rounded down
- 40 3 The number of A Ordinary Shares into which the B Common Shares will convert shall be apportioned as nearly as practicable pro rata to the number of B Common Shares held by each holder of B Common Shares immediately before conversion, with any fractional entitlements being rounded down
- 41 1 Conversion of any B Common Shares, G Common Shares and H Common Shares ("**Relevant Shares**") due to be converted in accordance with Article 39 ("**Conversion**") shall be effected in such manner as may be authorised by law and as the directors shall from time to time determine and, without prejudice to the generality of the foregoing, may be effected by the consolidation and/or subdivision and redesignation of the Relevant Shares as A Ordinary Shares and/or D Shares and/or a capitalisation of reserves

- 41 2 If the aggregate nominal value of the Relevant Shares is greater than the aggregate nominal value of A Ordinary Shares to which the holders of the Relevant Shares are entitled, conversion may be effected (pursuant to the authority given by the resolution by which these Articles were adopted and by these Articles) by all the Relevant Shares being consolidated and subdivided into
- 41 2 1 A Ordinary Shares of individual nominal value equal to the nominal value of each A Ordinary Share in issue at the time of the Conversion and of an aggregate nominal value equal to the nominal value of A Ordinary Shares to which the holders of the Relevant Shares are entitled by virtue of the Conversion (disregarding any fractional entitlements), and
  - 41 2 2 D Shares of an aggregate nominal value equal to the excess of the aggregate nominal value of the Relevant Shares over the aggregate nominal value of the A Ordinary Shares referred to in Article 41.2 1 above
- 41 3 If the aggregate nominal value of the Relevant Shares is less than the aggregate nominal value of the A Ordinary Shares to which the holders of Relevant Shares are entitled by virtue of the Conversion, conversion may be effected (pursuant to the authority given by the resolution by which these Articles was adopted and by these Articles)
- 41 3 1 by all the Relevant Shares of each holder being consolidated and subdivided into A Ordinary Shares of individual nominal value equal to the nominal value of each A Ordinary Share in issue at the Conversion Date and of an aggregate nominal value equal to the aggregate nominal amount of those Relevant Shares, and
  - 41 3 2 by part of the amount for the time being standing to the credit of the Company's share premium account or distributable or undistributable reserves equal to the difference between the aggregate nominal value of the A Ordinary Shares to which each holder of Relevant Shares is so entitled and the aggregate nominal value of the Relevant Shares held by him being capitalised and applied in paying up A Ordinary Shares which shall be allotted and issued credited as fully paid to such holder of Relevant Shares
- 41 4 If any entitlements to fractions of A Ordinary Shares arise on Conversion pursuant to this Article 41, no fraction of a share may be allotted but (if any such arrangements can be made) fractional entitlements may be aggregated and sold at the best price reasonably obtainable and the net proceeds of sale shall be distributed pro rata to the persons entitled to them in respect of any holding of Relevant Shares provided that the Company shall not be required to account to any person for an entitlement of a sum less than £10 00 which shall instead be retained for the benefit of the Company For the purpose of implementing the provisions of this Article the directors may appoint some person to execute transfers or renunciations on behalf of persons otherwise entitled to those fractions and generally may make all arrangements which appear to them necessary or appropriate for the settlement and disposal of fractional entitlements



- 41 5 The Company shall within 14 days after Conversion despatch to holders of Relevant Shares at their own risk, free of charge, definitive share certificates in respect of the Ordinary Shares arising on Conversion
- 41 6 Certificates for Relevant Shares which have been converted shall, following Conversion, be deemed to be cancelled and shall be of no further effect or value
- 41 7 Any A Ordinary Share resulting from a Conversion shall be entitled to any distributions in respect of A Ordinary Shares the record date for which is on or after the date of the Conversion
- 41 8 For the purposes of effecting a Conversion each of the Shareholders agrees that they will consent to the holding of all relevant meetings on short notice and that they will vote in favour of all shareholder resolutions proposed to achieve this These resolutions will include, but not be limited to, resolutions proposed to approve
- 41 8 1 any increase in the authorised share capital of the Company by the creation of additional A Ordinary Shares and/or D Shares,
  - 41 8 2 the authorisation of the issue of those shares (whether by way of bonus issue or otherwise and whether or not upon a pre-emptive basis), and
  - 41 8 3 any subdivision or consolidation of the existing share capital