

Company Number 4134880

COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS

of

SAV CREDIT LIMITED
(Passed on 12 April 2002)

On the above date all the members of the above Company RESOLVED in each case as a Special Resolution and as a consent of the holders of each class of ordinary share of the Company and Qualifying Consent for the purposes of the Articles of Association of the Company, as follows:-

1. That each of the existing issued and unissued 'A' ordinary shares of 10p each and 'B' ordinary shares of 10p each in the capital of the Company be and it is hereby redesignated as an ordinary share of 10p each in the capital of the Company carrying the rights set out in the new Articles of Association to be adopted by the Company as provided below.
2. That the authorised share capital of the Company be increased to £243,882 by the creation of 1,438,820 convertible preference shares of 10p each in the capital of the Company carrying the rights set out in the new Articles of Association to be adopted by the Company as provided below.
3. That the draft Articles of Association attached hereto be and are hereby adopted as the Articles of Association of the Company in substitution for and to the complete exclusion of its existing Articles of Association.



A. Greaves, Company Secretary



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COMPANIES HOUSE

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16/04/02

Registered Number 4134880

COMPANIES ACT 1985 (AS AMENDED)
A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

SAV CREDIT LIMITED

(adopted on 12 April 2002)

Incorporated in England and Wales
on 3rd January 2001

Slaughter and May
One Bunhill Row
London EC1Y 8YY
DAW
TP003701978

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ARTICLES OF ASSOCIATION

of

SAV CREDIT LIMITED

(Articles adopted on 12 April 2002)

PART 1: INTERPRETATION

1. INTERPRETATION

1.1 Exclusion of Table A

No regulations set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the regulations or articles of the Company.

1.2 Definitions

In these articles unless the context otherwise requires:

"Acting in Concert"	has the meaning given to that expression in the City Code on Take-overs and Mergers as in force on the Adoption Date;
"Adoption Date"	the date of the special resolution adopting these articles;
"Affiliates"	in relation to a person means any other person that is, directly or indirectly, Controlling, Controlled by or under common Control with that person;
"these articles"	means these articles of association as altered from time to time and the expression " <u>this article</u> " shall be construed accordingly;
"the auditors"	means the auditors from time to time of the Company or, in the case of joint auditors, any one of them;
"the board"	means the board of directors from time to time of the Company or the directors present at a meeting of the directors at which a quorum is present;
"Board Directors"	means the directors appointed by the board of directors in accordance with article 3.4;
"Business Day"	means a day (other than a Saturday or a Sunday) on which banks are open for business (other than solely for trading and settlement in Euro) in London;

"Business Plan"	means an annual business plan (including a monthly budget) for the Group, approved by the Board, for each year;
"clear days"	in relation to the period of a notice means that period excluding the day when the notice is served or deemed to be served and the day for which it is given or on which it is to take effect;
"Committee"	means Richard Langstaff, Gavin Lickley and/or such other members as Richard Langstaff and Gavin Lickley may together determine, from time to time, should be members of the Committee and the Committee shall act by majority;
"Company"	means SAV Credit Limited;
"the Companies Acts"	means every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the Company;
"Competitor"	<p>means any person who or which is:-</p> <ul style="list-style-type: none"> (i) a financial institution which issues bank or credit cards, whether directly or indirectly; or (ii) any Affiliate of any person referred to in paragraph (i) above, <p>but</p> <ul style="list-style-type: none"> (a) excluding the private equity or venture capital equity investment arm of any such financial institution or Affiliate acting solely in that capacity; and (b) in the case of NMR the reference to Affiliates in (ii) above shall only include subsidiaries;
"Control"	in relation to a body corporate means the ability of a person to ensure that the activities and business of that body corporate are conducted in accordance with the wishes of that person, and a person shall be deemed to have Control of a body corporate if that person possesses or is entitled to acquire the majority of the issued share capital or the voting rights in that body corporate or the right to receive the majority of the income of that body corporate on any distribution by it of all of its income or the majority of its assets on a winding up or appoint sufficient directors or directors with sufficient votes to control the same and, for the avoidance of doubt, a person which is the general partner of a limited partnership Controls that limited partnership and any derivative term or reference to

	"Controlling" shall be construed accordingly;
"Conversion Notice"	has the meaning given to it in article 2.7.1;
"Conversion Time"	has the meaning given to it in article 2.7.1;
"directors"	means the directors of the Company from time to time and "director" shall be construed accordingly;
"Euro"	means the single currency of the participating member states in the third stage of European economic and monetary union pursuant to the treaty establishing the European Community (as amended from time to time);
"Family Trust"	means a trust under which no immediate beneficial interest in the Shares in question is for the time being or may in the future be vested in any person other than a Shareholder or former Shareholder or Privileged Relation of such Shareholder or former Shareholder (save that the term shall also include any such trust where the principal beneficiaries under the trust are the Shareholder or former Shareholder concerned and/or Privileged Relations of his in accordance with the forgoing provisions of this definition but there is provision for other residual beneficiaries to participate if no such family beneficiaries are available) and references to a Family Trust of any person mean such a trust in which (save as provided above with respect to residual beneficiaries) only that person or a Privileged Relation of that person has a beneficial interest;
"Group"	means the Company, any subsidiary or Affiliate of the Company and any Affiliate of any such subsidiary from time to time provided that for this purpose the expression Affiliate shall exclude any person who is an Affiliate solely by virtue of Controlling the Company or being under common Control with the Company;
"the holder"	in relation to any shares means the member whose name is entered in the register as the holder of those shares;
"Indebtedness"	means any indebtedness (whether present or future, actual or contingent, secured or unsecured, as principal, surety or otherwise) incurred in respect of (i) monies borrowed or raised otherwise than through subscription for shares, (ii) any debenture, bond, note, loan stock or similar instrument, (iii) any letters of credit, acceptance credit, bill discount or note purchase facility, (iv) any leases or hire purchase agreements entered into primarily for the purpose of raising financing or funding the acquisition of the asset leased or hired, (v) the deferred purchase price of assets or services (other than credit obtained in the ordinary course of trading

for period not exceeding 60 days), (vi) any foreign exchange or interest rate swap or hedging transactions, or (vii) any other transactions having the commercial effect of borrowing;

"the Investment Agreement"

the Subscription and Shareholders Agreement entered into on 20 March 2002 between the Company, the Palamon Funds and Existing Shareholders therein mentioned;

"Listing"

means the admission of all or a substantial part of the equity share capital of the Company to the Official List and to trading on the London Stock Exchange plc's market for listed securities or the admission of the same to or trading on the National Market of the National Association of Security Dealers, Inc. Automated Quotation System or, with the consent in writing of Palamon and the Company, any other recognised and high quality stock exchange;

"member"

means a member of the Company;

"the office"

means the registered office from time to time of the Company;

"Official List"

means the official list of the United Kingdom Listing Authority;

"Ordinary Director"

has the meaning given to that term in article 3.4;

"Ordinary Shareholder Consent"

means the consent in writing of Shareholders holding a majority in number of the Ordinary Shares;

"Ordinary Shareholders"

means the holders of Ordinary Shares;

"Ordinary Shares"

means the ordinary shares of 10 pence each in the capital of the Company;

"paid up"

means paid up or credited as paid up;

"Palamon"

means Palamon European Equity, LP or any member of the Palamon Group from time to time designated as such by notice from Palamon or its nominated successor to the Company;

"Palamon Funds"

means Palamon European Equity, LP (registered as a limited partnership in England under the Limited Partnerships Act 1907 with number LP 6185), Palamon European Equity "B", LP (registered as a limited partnership in England under the Limited Partnerships Act 1907 with number LP 6186), Palamon European Equity "C", LP (registered as a limited partnership in England under the Limited Partnerships Act 1907 with number LP 6214), Palamon European Equity "D", LP (registered as a

limited partnership in England under the Limited Partnerships Act 1907 with number LP 6737) and Palamon European Equity GMBH & Co. Beteiligungs KG (registered as a limited partnership in Germany with number HR A 74707);

"Palamon Group"

means:

- (a) the Palamon Funds;
- (b) any Affiliates of the Palamon Funds, other than any company whose securities have been invested in by the Palamon Funds (or Affiliates of the Palamon Funds) as investments of the funds made available to them for investment by their investors (but including a company whose share capital is directly or indirectly one hundred per cent. owned or controlled by the Palamon Funds) (the **"Palamon Affiliates"**);
- (c) any nominee of the Palamon Funds or their Affiliates;
- (d) any limited partner or general partner of the Palamon Funds or their Affiliates;
- (e) any person controlled by the Palamon Funds or the Palamon Affiliates or controlled by any combination of the Palamon Funds and the Palamon Affiliates and any general partner of any of the Palamon Funds or the Palamon Affiliates or which is controlled by any general partner of any of the Palamon Funds or the Palamon Affiliates, other than a company whose securities have been invested in by the Palamon Funds or the Palamon Affiliates or any general partner of the Palamon Funds or any Palamon Affiliate as an investment of the funds made available to them for investment by their investors (but including a company whose share capital is directly or indirectly one hundred per cent. owned or controlled by the Palamon Funds and/or a general partner of the Palamon Funds and/or the Palamon Affiliates); and
- (f) any other investment limited partnership, investment fund or collective investment or co-investment plan managed or controlled by (i) a general partner of the Palamon Funds or (ii) the Palamon Funds or (iii) by any other person controlled by, or subject to the control of, the general partner of any of the Palamon Funds (or the representative(s) or holder(s) or trustee(s) of any such partnership, fund or plan or any unit holder or other beneficiary of said partnership, fund or plan);

"person entitled by transmission"	means a person whose entitlement to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law has been noted in the register;
"Permitted Options"	means <ul style="list-style-type: none"> (i) options granted to employees or directors under an employee or employee/director share scheme of the Company or in their service agreement with the Company; (ii) the Hawkpoint Warrants, MMC Warrants and NMR Warrants referred to in the Investment Agreement; (iii) any other options or warrants granted over or in respect of Shares provided granted with any Preference Shareholder Consent and Ordinary Shareholder Consent required under the Investment Agreement;
"Preference Director"	has the meaning given to that term in article 3.4;
"Preference Shares"	means the convertible preference shares of 10 pence each in the capital of the Company;
"Preference Shareholder Consent"	means the consent in writing of Shareholders holding a majority of the number of Preference Shares;
"Preference Shareholders"	means the holders of Preference Shares;
"Privileged Relations"	means in relation to a Shareholder or former Shareholder, the spouse, widow, widower, brothers, sisters and children, grandchildren and remoter issue of that Shareholder (including adopted and step-children as children and issue for these purposes;
"Prohibited Persons"	has the meaning given to it in article 3.4.7;
"the register"	means the register of members of the Company;
"seal"	means any common or official seal that the Company may be permitted to have under the Companies Acts;
"Shareholder Consent"	means, with respect to any matter, the obtaining of both a Preference Shareholder Consent and an Ordinary Shareholder Consent;
"the secretary"	means the secretary, or (if there are joint secretaries) any one of the joint secretaries, of the Company and includes an assistant or deputy secretary and any person appointed

by the board to perform any of the duties of the secretary;

"shares" means shares in the capital of the Company, being as at the date of adoption of these articles, the Ordinary Shares and the Preference Shares;

"Stage 2 Completion Date" means a date determined by Palamon and notified (or deemed both determined and notified) to the Company provided that in the absence of such notification (or deemed notification) then there shall be deemed to be no such date;

"Transfer" means, in relation to any share, to transfer the entire legal and beneficial interest in that share free from all claims, liens, charges, encumbrances and equities and together with all rights attached or accruing to the share and any derivative term, as well as any reference to a **"Transfer"**, shall be construed accordingly;

"Transferee" means any person to whom shares are to be Transferred; and

"United Kingdom" means Great Britain and Northern Ireland.

1.3 In construing these articles, unless otherwise specified:

- (A) references to a document being executed include references to its being executed under hand or under seal or by any other method;
- (B) references to a "person" shall be construed as to include any individual, firm, company or other body corporate, government, state, local or municipal authority or government body or any joint venture, association or partnership (whether or not having separate legal personality);
- (C) references to writing include references to any method of representing or reproducing words in a legible and non-transitory form;
- (D) words or expressions to which a particular meaning is given by the Companies Acts in force when these articles or any part of these articles are adopted bear (if not inconsistent with the subject matter or context) the same meaning in these articles or that part (as the case may be) save that the word "company" shall include any body corporate;
- (E) references to a meeting shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person; and
- (F) a reference to any person holding x per cent. of the Voting Rights shall be to that person holding shares that entitle that person to exercise x per cent. of the votes entitled to be exercised at a general meeting of the Company and a reference to any shares that entitle the holder to x per cent. of the Voting Rights shall be to shares that entitle the holder of such shares to exercise x per cent. of the votes entitled to be exercised at a general meeting of the Company.

- 1.4 A member represented at a general meeting by a duly authorised corporate representative shall be deemed to be present in person.
- 1.5 If, and for so long as, the Company has only one member, these articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to such a company.
- 1.6 Headings are included only for convenience and shall not affect meaning.

PART 2: SHARE RIGHTS

2. SHARE RIGHTS

2.1 Authorised Share Capital

The authorised share capital of the Company at the date of adoption of these articles is £243,882 divided into 1,000,000 Ordinary Shares of 10 pence each and 1,438,820 Preference Shares of 10 pence each.

2.2 General

Subject to the provisions of the Companies Acts, and to any rights attached to existing shares, any shares may be issued with, or have attached to them such rights and restrictions as the Company may, by ordinary resolution decide.

2.3 Rights attaching to Shares

The special rights and restrictions attached to the Ordinary Shares and the Preference Shares are set out in articles 2.4 to 2.8. Except as otherwise provided in these articles, the Ordinary Shares and the Preference Shares rank *pari passu*.

2.4 Income

The Ordinary Shares and Preference Shares shall rank *pari passu* with respect to distribution of profits.

2.5 Capital

On a winding up or other return of capital (which shall include a redemption or purchase of shares), the assets of the Company available to shareholders shall be applied in the following order of priority:

- (A) first in paying to each holder of Preference Shares an amount equal to the aggregate subscription price (inclusive of any premium) of the Preference Shares held by him, such application to be made in the event that there are not sufficient assets available to pay the entire amount to all the Preference Shareholders pro rata to the amounts that would be payable to each Preference Shareholder if there were sufficient assets; and
- (B) secondly, in dividing the balance *pari passu*, among the holders of the Ordinary Shares according to the number of Ordinary Shares held by them.

2.6 Voting and other rights

The holders of the Ordinary Shares and the Preference Shares shall be entitled to receive notice of and to attend and vote at general meetings of the Company. On a poll, each Ordinary Share and Preference Share shall have one vote.

2.7 Conversion

- 2.7.1 Each holder of Preference Shares may at any time and from time to time, by delivering to the office a written notice (a "**Conversion Notice**"), convert into Ordinary Shares the number of Preference Shares stated in the Conversion Notice, in which case the "**Converting Shares**" means the Preference Shares required to be converted pursuant to that Conversion Notice and the "**Conversion Time**" means the time at which the Conversion Notice is served or deemed served on the Company.
- 2.7.2 All the Preference Shares then in issue shall convert automatically into Ordinary Shares if a Listing occurs, in which case the "**Converting Shares**" means all the Preference Shares in issue at the Conversion Time and the "**Conversion Time**" means the time immediately before completion of that Listing (or if there is more than one completion, immediately before the first completion).
- 2.7.3 At the Conversion Time each Converting Share shall be converted into and re-designated as one Ordinary Share.
- 2.7.4 As soon as reasonably practical following the Conversion Time:
- (a) the holder of Converting Shares shall surrender to the Company at the office the share certificate(s) for his holding of Converting Shares and, upon receipt of the surrendered certificate(s), the Company shall deliver to the holder a new certificate for his Ordinary Shares arising from the conversion and, if applicable, a new certificate for any unconverted Preference Share represented by the surrendered certificate;
 - (b) the name of each holder of Converting Shares shall be entered in the register as the holder of the number of Ordinary Shares arising from the conversion, credited as full paid up, in place of the Converting Shares.
- 2.7.5 The Ordinary Shares arising from conversion shall rank pari passu in all respects with the Ordinary Shares which were already in issue.

2.8 Other provisions relating to the Preference Shares

No share capital shall be in issue which ranks in priority to the Preference Shares on a return of capital or on a winding-up.

PART 3: THE BOARD

3. APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

3.1 Number of Directors

Unless agreed by all the directors, from the Adoption Date until the date 21 months thereafter (or such earlier date as the Committee and Palamon may decide) (the "**Initial Period**") the board shall consist of not more than 8 directors, each of whom has been appointed as provided in article 3.4. Unless, agreed by all the directors, thereafter (the "**Subsequent Period**") the board shall consist of no more than ten directors, each of whom has been appointed as provided in article 3.4.

3.2 Age of Directors

No person shall be disqualified from being appointed or elected as a director, and no director shall be required to vacate that office, by reason only of the fact that he has attained the age of 70 years or any other age. It shall not be necessary by reason of a person's age to give special notice under the Companies Acts of any resolution in connection with his election.

3.3 Directors' Shareholding Qualification

No shareholding qualification for directors shall be required.

3.4 Appointment and Removal of Directors

3.4.1 Subject to article 3.4.4 and article 3.4.7, the Preference Shareholders may at any time and from time to time by a memorandum signed by Preference Shareholders holding a majority in aggregate nominal value of Preference Shares held by the Preference Shareholders, appoint directors (the "**Preference Directors**") and may remove any Preference Directors so appointed by them and may appoint others as Preference Directors in their stead.

3.4.2 Subject to article 3.4.5 and article 3.4.7, the Ordinary Shareholders may at any time and from time to time by a memorandum signed by the Ordinary Shareholders holding a majority in aggregate nominal value of Ordinary Shares held by the Ordinary Shareholders, appoint directors (the "**Ordinary Directors**") and may remove any Ordinary Directors so appointed by them and may appoint others as Ordinary Directors in their stead.

3.4.3 Subject to article 3.4.7, the board may at any time and from time to time appoint executive directors and non-executive directors (the "**Board Directors**"). The board may at any time remove any Board Director so appointed. Any revocation or termination of the appointment shall be without prejudice to any claim for damages that the Board Director may have against the Company or the Company may have against the Board Director for any breach of any contract of service between him and the company which may be involved in the revocation or termination. For the purposes of any resolution relating to the appointment or removal of any Board Director (as the case may be), the Board Directors shall not have a vote. The number of Board Directors may not exceed a number equal to the maximum number of Directors permitted by Clause 8.1 minus the maximum number of Preference Directors and Ordinary Directors permitted pursuant to articles 3.4.4 and 3.4.5 below.

3.4.4 The maximum number of Preference Directors shall be "A", where:

$$\frac{(Ax2)}{(Ax2) + B} = \frac{C}{100}$$

Where:

- A = the maximum number of Preference Directors,
- B = the maximum number of Ordinary Directors plus the number of Board Directors,
- C = the percentage of the Voting Rights the Preference Shareholders hold,

rounded up to the nearest whole number, provided that if "C" is less than 10 then there shall be no Preference Directors.

3.4.5 The maximum number of Ordinary Directors shall be:

- (I) if the Voting Rights of the Ordinary Shares held by the Ordinary Shareholders is 35 per cent. or more, two Ordinary Directors;
- (II) if the Voting Rights of the Ordinary Shares held by the Ordinary Shareholders is less than 35 per cent but equal to or greater than 10 per cent., one Ordinary Director, provided that in such circumstances, it is agreed that the Ordinary Shareholders may by a memorandum signed by Ordinary Shareholders holding a majority in aggregate nominal value of Ordinary Shares held by the Ordinary Shareholders appoint an individual to be an observer (but with no voting rights) at Board meetings and may remove the individual so appointed and appoint another individual in his stead

and if the Voting Rights of the Ordinary Shares held by the Ordinary Shareholders is less than 10 per cent., then there shall be no Ordinary Directors.

3.4.6 Any appointment or removal of Preference Directors or Ordinary Directors shall take effect at and from the time when the memorandum is lodged at the registered office of the Company or produced to a meeting of the directors and the appointment and removal of Board Directors shall take effect immediately upon the resolution for their appointment or removal (as the case may be) being passed by the board.

3.4.7 Notwithstanding the foregoing provisions of this Article or any other provisions of the articles, it is hereby agreed that, save with Shareholder Consent, no Director shall be appointed if he is a person employed by or acting as a consultant to or an officer of any Competitor (a "**Prohibited Person**"), provided that it is acknowledged and agreed that any person who is an officer or employee of a member of the Palamon Group shall not constitute a Prohibited Person. Should the Board at any time become aware

that a Prohibited Person has been appointed a Director in contravention of this provision (or becomes such a person following his or her appointment) the Board shall as soon as practicable thereafter hold a meeting at which it shall be considered whether or not the Prohibited Person shall be retained as a Director and, unless it resolves that the person should remain as a Director, such person shall automatically be removed from office as a Director with effect from the close of such meeting. Any resolution to retain a Prohibited Person as a director pursuant to this Clause shall be by the unanimous consent of all of the Directors present at the meeting excluding the Prohibited Person but shall be without prejudice to the right of the Shareholders (acting by Shareholder Consent, as provided below) to remove such Director from office if he continues to be a Prohibited Person by written notice to him and the Company. For these purposes any Shares held by the Shareholder who appointed the Prohibited Person and its Affiliates (and in the case of a member of the Palamon Group, the other members of the Palamon Group) shall be disregarded when determining whether or not Shareholder Consent has been given.

3.5 Vacation of Office by Directors

Without prejudice to the other provisions in these articles, the office of director shall be vacated if:

- (a) he resigns his office by notice in writing delivered to the office or tendered at a meeting of the board; or
- (b) he is or has been suffering from mental ill health or becomes a patient for the purpose of any statute relating to mental health and the board resolves that his office is vacated; or
- (c) he becomes bankrupt or compounds with his creditors generally; or
- (d) he is prohibited by law from being a director; or
- (e) he ceases to be a director by virtue of the Companies Acts or is removed from office pursuant to these articles.

If the office of a director is vacated for any reason, he shall cease to be a member of any committee of the board.

3.6 Alternate Directors

3.6.1 Each director will have the power by writing to nominate either another director, or any other person willing to act and approved for the purpose by a resolution of the directors, to act as his alternate director. He may also at his discretion remove his alternate director by notice in writing to the Company. An alternate director will have the same entitlement as his appointor to receive notices of meetings of the directors and to attend, vote and be counted for the purpose of a quorum at any meeting at which his appointor is not personally present, and generally in the absence of his appointor at such meeting to exercise and discharge all the functions, powers and duties of his appointor.

3.6.2 Except as otherwise provided in these articles, the alternate director will, during his appointment, be deemed to be a director for the purposes of these articles. He will not

be deemed to be an agent of his appointor, and will alone be responsible to the Company for his own acts or defaults and will be entitled to be indemnified by the Company to the same extent as if he were a director.

- 3.6.3 An alternate director will not, in respect of his office of alternate director, be entitled to receive any remuneration from the Company nor to appoint another person as his alternate. The appointment of an alternate director will automatically determine if his appointor ceases for any reason to be a director, or on the happening of an event which, if he were a director, would cause him to vacate the office of director, or if by written notice to the Company he resigns his appointment.
- 3.6.4 A director or any other person may act as an alternate director to represent more than one director. Every person acting as an alternate director shall have one vote for each director for whom he acts as alternate, in addition to his own vote if he is also a director but he shall count as only one for the purposes of determining whether a quorum is present. Execution by an alternate director of any resolution in writing of the board or a committee of the board shall, unless the notice of his appointment provides to the contrary, be as effective as execution by his appointor.
- 3.6.5 An alternate director shall automatically cease to be an alternate director if his appointor ceases for any reason to be a director.

3.7 Executive Directors

The board or any committee authorised by the board may from time to time appoint one or more directors to hold any employment or executive office with the Company including the positions of chairman, chief executive officer, finance director and executive director for such period (subject to the provisions of the Companies Acts) and upon such other terms as the board may decide and the board may amend the terms of such appointment or may revoke or terminate any appointment so made. Any revocation or termination of the appointment shall be without prejudice to any claim for damages that the director may have against the Company or the Company may have against the director for any breach of any contract of service between him and the Company which may be involved in the revocation or termination. A director so appointed shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the board or any committee authorised by the board may decide and either in addition to or in lieu of his remuneration as a director.

4. PROCEEDINGS OF THE BOARD

4.1 Board Meetings

The board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. A director at any time may, and the secretary at the request of a director at any time shall, call a board meeting.

4.2 Notice of Board Meetings

Notice of the time, place and purpose of every meeting of the directors must be given to every director and to his alternate (if any) (provided in any such case that he has given an address for service of notices to the Company). However, the actual non-receipt of notice by

any director or alternate director will not invalidate the proceedings of the directors. Unless a majority in number of the directors indicate their willingness to accept shorter notice of a meeting of directors at least five Business Days' notice except in the case of emergency must be given. Every notice of a meeting of the directors required to be given under this agreement may be given orally (personally or by telephone) served personally or sent by facsimile (subject to the recipient acknowledging receipt thereof) or by e-mail (subject to the recipient acknowledging receipt thereof) to the address for the time being supplied for the purpose to the secretary of the Company.

4.3 Quorum

- 4.3.1 No business shall be transacted at any meeting of the directors unless a quorum is present. A quorum shall exist at any directors' meeting if more than half the directors are present or represented by an alternate and such directors are together entitled to exercise a majority of the votes that all the directors together are entitled to exercise at a meeting of the directors.
- 4.3.2 If a quorum is not present at a meeting of the directors at the time when any business is considered any director may require that the meeting be reconvened. At least five Business Days' notice of the reconvened meeting will be given unless all the directors agree. At the reconvened meeting, a quorum shall exist with respect to those matters on the agenda which were not disposed of at the original meeting if any two or more directors are present or represented by an alternate.
- 4.3.3 A director shall only be counted in the quorum once, notwithstanding that he may also be acting as an alternate director, and an alternate director who is not a director shall only be counted in the quorum once, notwithstanding that he may be acting as alternate for more than one director.

4.4 Appointment of Chairman

The board may appoint a director to be the chairman or a deputy chairman of the board, and may at any time remove him from that office. The chairman or failing him a deputy chairman shall act as a chairman at every meeting of the board. If more than one deputy chairman is present they shall agree amongst themselves who is to take the chair or, if they cannot agree, the deputy chairman who has been in office as a director longest shall take the chair. But if no chairman or deputy chairman is appointed, or if at any meeting neither the chairman nor any deputy chairman is present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be chairman of the meeting.

4.5 Competence of Meetings

A meeting of the board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the board.

4.6 Voting

Resolutions at meetings of the board shall be decided by a majority of votes cast and each Preference Director shall have 2 votes, each Ordinary Director shall have one vote and each Board Director shall have one vote except that no Board Director shall have the right to vote

on the appointment and/or removal of any Board Director. The chairman shall not have a second or casting vote.

4.7 Delegation to Committees

4.7.1 The board may delegate any of its powers, authorities and discretions to any committee consisting of one or more directors. Such committees may be given the power to delegate any of its powers, authorisations and discretions.

4.7.2 Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the board. The meetings and proceedings of any committee shall be governed by the provisions contained in these articles for regulating the meetings and proceedings of the board so far as the same are applicable.

4.7.3 The power to delegate contained in this article shall be effective in relation to the powers, authorities and discretions of the board generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the board or by a committee authorised by the board.

4.8 Participation in Meetings by Telephone

All or any of the members of the board or any committee of the board may participate in a meeting of the board or that committee by means of a conference telephone, television or any communication equipment which allows all persons participating in the meeting to speak to and hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.

4.9 Resolution in Writing

A resolution in writing signed by all the directors shall be as valid and effective for all purposes as a resolution passed by the directors at a meeting duly convened, held and constituted. The resolution may be contained in one document or in several documents in like form each executed by one or more of the directors concerned. A resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

4.10 Validity of Acts of Board or Committee

All acts done by the board or by any committee or by any person acting as a director or member of a committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the board or committee or person so acting or that they or any of them were disqualified from holding office or had vacated office or were not entitled to vote, be as valid as if each such member or person had been properly appointed and was qualified and had continued to be a director or member of the committee and had been entitled to vote.

5. FEES, REMUNERATION, EXPENSES AND PENSIONS

5.1 Directors' Fees

Each of the non executive directors may be paid a fee at such rate as may from time to time be determined by the board.

5.2 Expenses

Each director may be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the board or committees of the board or general meetings of the Company or any other meeting which as a director he is entitled to attend and shall be paid all other costs and expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a director.

5.3 Pensions and Gratuities for Directors

The board or any committee authorised by the board may exercise all the powers of the Company to provide benefits, either by the payment of gratuities or pensions or by insurance or in any other manner whether similar to the foregoing or not, for any director or former director or the relations, or dependants of, or persons connected to, any director or former director. No director or former director shall be accountable to the Company or the members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.

6. DIRECTORS' INTERESTS

6.1 Permitted Interests and Voting

6.1.1 Subject to the provisions of the Companies Acts and of paragraph 6.1.6 of this article, no director or proposed or intending director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any contract in which any director is in any way interested be liable to be avoided, nor shall any director who is so interested be liable to account to the Company or the members for any remuneration, profit or other benefit realised by the contract by reason of the director holding that office or of the fiduciary relationship thereby established.

6.1.2 A director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period (subject to the provisions of the Companies Acts) and upon such other terms as the board may decide, and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the board (or any committee authorised by the board) may decide, and either in addition to or in lieu of any remuneration provided for by or pursuant to any other article.

6.1.3 A director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested or as regards which it has any power of appointment, and shall not be liable to account to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in the other company. The board

may also cause any voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit, including the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the other company, or in favour of the payment of remuneration to the directors or officers of the other company.

- 6.1.4 A director may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm may be entitled to remuneration for professional services as if he were not a director.
- 6.1.5 Subject to the provisions of the Companies Acts and of paragraph 6.1.6 of this article, a director may vote on and be counted in the quorum in relation to any resolution of the board in respect of any contract in which he has an interest.
- 6.1.6 A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract with the Company shall declare the nature of his interest at the meeting of the board at which the question of entering into the contract is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the board after he knows that he is or has become so interested. For the purposes of this article, a general notice to the board by a director to the effect that (a) he is a member of a specified company or firm and is to be regarded as interested in any contract which may after the date of the notice be made with that company or firm or (b) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this article in relation to any such contract; provided that no such notice shall be effective unless either it is given at a meeting of the board or the director takes reasonable steps to secure that it is brought up and read at the next board meeting after it is given.
- 6.1.7 References in this article to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.
- 6.1.8 Subject to the provisions of the Companies Acts, the Company may by ordinary resolution suspend or relax the provisions of this article to any extent or ratify any contract not properly authorised by reason of a contravention of this article.

7. POWERS AND DUTIES OF THE BOARD

7.1 General Powers of Company Vested in Board

Subject to the provisions of the Companies Acts, the memorandum of association of the Company and these articles and to any directions given by the Company in general meeting by special resolution, the business of the Company shall be managed by the board which may exercise all the powers of the Company whether relating to the management of the business of the Company or not. No alteration of the memorandum of association or these articles and no special resolution shall invalidate any prior act of the board which would have been valid if that alteration had not been made or that resolution had not been passed. The powers given by this article shall not be limited by any special power given to the board by any other article.

7.2 Agents

The board may by power of attorney or otherwise, appoint any person or body of persons whether nominated directly or indirectly by the board to be the agent of the Company upon such terms (including terms as to remuneration) as it may decide and may delegate to any person so appointed any of its powers, authorities and discretions (with power to sub-delegate). The board may remove any person appointed under this article and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it. The power to delegate contained in this article shall be effective in relation to the powers, authorities and discretions of the board generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the board or by a committee authorised by the board.

7.3 Delegation to Individual Directors

The board may entrust to and confer upon any director any of its powers, authorities and discretions (with power to sub-delegate) upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, authorities and discretions and may from time to time revoke or vary all or any of them but no person dealing in good faith and without notice of the revocation or variation shall be affected by it. The power to delegate contained in this article shall be effective in relation to the powers, authorities and discretions of the board generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the board or by a committee authorised by the board.

7.4 Official Seals

The Company may exercise all the powers conferred by the Companies Acts with regard to having any official seal for use abroad and such powers shall be vested in the directors. Subject to the provisions of the Act, any instrument to which an official seal is affixed shall be signed by such persons, if any, as the directors may from time to time determine.

7.5 Registers

Subject to the provisions of the Companies Acts, the Company may keep an overseas or local or other register in any place and the board may make and vary such regulations as it may think fit respecting the keeping of the register.

7.6 Provision for Employees

The board may exercise any power conferred by the Companies Acts to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

PART 4: GENERAL MEETINGS

8. GENERAL MEETINGS

8.1 Extraordinary General Meetings

Any general meeting of the Company other than an annual general meeting shall be called an extraordinary general meeting.

8.2 Annual General Meetings

The board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Companies Acts.

8.3 Convening of Extraordinary General Meetings

The board or any director may convene an extraordinary general meeting whenever it or he thinks fit.

8.4 Separate General Meetings

The provisions of these articles relating to general meetings shall apply, with any necessary modifications, to any separate general meeting of the holders of shares of a class convened otherwise than in connection with the variation or abrogation of the rights attached to the shares of that class (in which case article 13.3 shall apply). For this purpose, a general meeting at which no holder of a share other than an Ordinary Share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the Ordinary Shares.

8.5 Form of Resolution

8.5.1 Where for any purpose an ordinary resolution of the Company is required, a special or extraordinary resolution shall also be effective and where for any purpose an extraordinary resolution is required a special resolution shall also be effective.

8.5.2 Subject to the Companies Acts, a resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting properly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more of the members. These copies may be facsimile copies.

9. NOTICE OF GENERAL MEETINGS

9.1 Length of Notice

An annual general meeting and an extraordinary general meeting convened for the passing of a special resolution or (save as provided by the Companies Acts) a resolution of which special notice has been given to the Company shall be convened by not less than 21 clear days' notice in writing. All other extraordinary general meetings shall be convened by not less than 14 clear days' notice in writing. The notice shall specify the place, day and time of the meeting, and the general nature of the business to be transacted. Notice of every general

meeting shall be given to all members other than any who, under the provisions of these articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the auditors or, if more than one, each of them.

9.2 Omission or Non-Receipt of Notice

The accidental omission to give any notice of a meeting or the accidental omission to send any document relating to any meeting to, or the non-receipt of any such notice or document by, any person entitled to receive the notice or document shall not invalidate the proceedings at that meeting.

10. PROCEEDINGS AT GENERAL MEETINGS

10.1 Quorum

10.1.1 The quorum at any general meeting or adjourned general meeting shall be, two, of whom one shall, if any member of the Palamon Group is at the time a holder of any Preference Shares, be a member of the Palamon Group and one shall be an Ordinary Shareholder, present in person or by proxy. A member may only be counted in the quorum once, notwithstanding that he may also be acting as a proxy or corporate representative for another member or members, and a proxy or corporate representative who is not a member may only be counted in the quorum once, notwithstanding that he may be acting as proxy or corporate representative for more than one member.

10.1.2 If, and for so long as, the Company has only one member, that member present in person or by proxy shall be a quorum at any general meeting of the Company or of the holders of any class of shares.

10.2 Procedure if Quorum Not Present

If a quorum is not present within half an hour (or such longer time as the persons present may all agree to wait) from the time appointed for any general meeting, or if during a general meeting a quorum ceases to be present, the meeting shall be dissolved provided that in such circumstances the Company may convene another general meeting to consider the same matters as were to be considered at the original general meeting by giving not less than 7 clear days' notice in writing. At such general meeting, the quorum shall be at least two members present in person or by proxy.

10.3 Chairman of General Meeting

The chairman (if any) of the board or, in his absence, the deputy chairman (if any) shall preside as chairman at every general meeting. If more than one deputy chairman is present they shall agree amongst themselves who is to take the chair or, if they cannot agree, the deputy chairman who has been in office as a director longest shall take the chair. If there is no chairman or deputy chairman, or if at any meeting neither the chairman nor any deputy chairman is present within five minutes after the time appointed for the commencement of the meeting, or if neither the chairman nor any deputy chairman is willing to act as chairman, the directors present shall by a majority in number choose one of their number to act, or if one director only is present he shall preside as chairman if willing to act. If no director is present,

or if each of the directors present declines to take the chair, the persons present and entitled to vote shall appoint one of their number to be chairman.

10.4 Entitlement to Attend and Speak

Each director shall be entitled to attend and speak at any general meeting of the Company. The chairman or any director may invite any person to attend and speak at any general meeting of the Company where he considers that this will assist in the deliberations of the meeting.

10.5 Adjournments

The chairman may at any time with the consent of any meeting at which a quorum is present (and shall if so directed by such a meeting) adjourn the meeting either sine die or to another time or place. When a meeting is adjourned sine die the time and place for the adjourned meeting shall be fixed by the board. No business shall be transacted at any adjourned meeting except business which might properly have been transacted at the meeting had the adjournment not taken place.

10.6 Notice of Adjournment

When a meeting is adjourned for one month or more, or sine die, notice of the adjourned meeting shall be given as in the case of an original meeting. Except where these articles otherwise require, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

11. VOTING

11.1 Votes

Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held and to any other provisions of these articles:

- (i) on a show of hands every member who is present in person or by a corporate representative at a general meeting of the Company shall have one vote. Proxies may vote on a show of hands; and
- (ii) on a poll every member who is present in person or by proxy or corporate representative shall have one vote for every share of which he is the holder.

11.2 Method of Voting

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is properly demanded. Subject to the Companies Acts, a poll may be demanded by:

- (i) the chairman of the meeting; or
- (ii) any member present in person or by proxy and entitled to vote.

Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution on a show of hands has been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.

11.3 Procedure if Poll Demanded

If a poll is properly demanded it shall be taken in such manner as the chairman shall direct. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A poll shall be taken forthwith after it has been properly demanded.

11.4 Votes on a Poll

On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.

11.5 No Casting Vote of Chairman

In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman shall not be entitled to an additional or casting vote.

11.6 Votes of Joint Holders

In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.

11.7 Voting on Behalf of Incapable Member

A member in respect of whom an order has been made by any competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company and may exercise any other right conferred by membership in relation to general meetings by or through any person authorised in such circumstances to do so on his behalf (and that person may vote on a poll by proxy), provided that evidence to the satisfaction of the board of the authority of the person claiming to exercise the right to vote or such other right has been delivered at the office (or at such other place as may be specified in accordance with these articles for the delivery of instruments appointing a proxy) not later than the last time at which an instrument of proxy should have been delivered in order to be valid for use at that meeting or on the holding of that poll.

11.8 No Right to Vote where Sums Overdue on Shares

No member shall be entitled in respect of any share held by him to vote (either personally or by proxy) at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company or to exercise any other right conferred by membership in relation to general meetings unless all calls or other sums presently payable by him in respect of that share have been paid.

11.9 Objections or Errors in Voting

If:

- (a) any objection shall be raised to the qualification of any voter, or
- (b) any votes have been counted which ought not to have been counted or which might have been rejected, or
- (c) any votes are not counted which ought to have been counted,

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless it is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs.

12. PROXIES

12.1 Execution of Proxies

An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be deemed to include authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated in it, be valid for any adjournment of the meeting as well as for the meeting to which it relates.

12.2 Delivery of Proxies

The instrument appointing a proxy and (if required by the board) any authority under which it is executed or a copy of the authority, certified notarially or in accordance with the Powers of Attorney Act 1971 or in some other manner approved by the board, must be delivered to the office (or to such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any accompanying document) not less than 48 hours (or such shorter period as the board may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, not less than 24 hours (or such shorter period as the board may determine) before the time appointed for the taking of the poll and an instrument of proxy which is not so delivered shall be invalid. A faxed or other machine made copy of an instrument appointing a proxy shall be treated as such an instrument for the purpose of this article provided that it is received in a complete and legible form. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting, the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share: if the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.

12.3 Maximum Validity of Proxy

No instrument appointing a proxy shall be valid after 12 months have elapsed from the date named in it as the date of its execution save that, unless the contrary is stated in it, an instrument of proxy shall be valid for use at an adjourned meeting or a poll after a meeting or an adjourned meeting even after 12 months, if it was valid for the original meeting.

12.4 Form of Proxy

Instruments of proxy shall be in any usual form or in such other form as the board may approve and the board may, if it thinks fit, but subject to the provisions of the Companies Acts, send with the notice of any meeting forms of instrument of proxy for use at the meeting.

12.5 Cancellation of Proxy's Authority

A vote given or poll demanded by a proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice in writing of the determination was received by the Company at the office (or such other place in the United Kingdom as was specified for the delivery of instruments of proxy in the notice convening the meeting or other accompanying document) not later than the last time at which an instrument of proxy should have been delivered in order to be valid for use at the meeting or on the holding of the poll at which the vote was given or the poll demanded.

PART 5: SHARES AND SHARE CAPITAL

13. SHARE CAPITAL

13.1 Redeemable Shares

Subject to the provisions of the Companies Acts and to any rights attached to existing shares, any share may be issued which is to be redeemed, or is liable to be redeemed at the option of the Company or the holder.

13.2 Purchase of Own Shares

Subject to the provisions of the Companies Acts and to any rights attached to existing shares, the Company may by special resolution purchase or may enter into a contract under which it will or may purchase all or any of its shares of any class, including any redeemable shares.

13.3 Variation of Rights

Subject to the provisions of the Companies Acts, all or any of the rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be varied either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of those shares. All the provisions of these articles as to general meetings of the Company shall, with any necessary modifications, apply to any such separate general meeting, but so that the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class, (but so that at any adjourned meeting one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum), that every holder of shares of the class present in person or by proxy shall be entitled on a poll to one vote for every share of the class held by him (subject to any rights or restrictions attached to any class of shares) and that any holder of shares of the class present in person or by proxy may demand a poll. The foregoing provisions of this article shall apply to the variation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class and their special rights were to be varied.

13.4 Pari Passu Issues

The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking pari passu with them.

13.5 Pre-emption Rights

13.5.1 If there is to be an issue of any unissued shares or securities (the "**Relevant Securities**") of the Company (whether forming part of the original or any increased capital) this article 13.5 shall apply. Subject to the provisions of the Companies Acts and these articles and to any special resolution passed by the Company and without prejudice to any rights attached to existing shares, subject to article 13.5.4, each shareholder has the pre-emptive right to subscribe for any Relevant Securities issued by the Company (at the same price and on the same terms as the Relevant Securities are to be issued). For the foregoing purposes, any shareholder may apply for all or

any Relevant Securities being offered and in the event of competition between any shareholders for the Relevant Securities their respective entitlements shall be determined pro rata to the number of Shares held by them respectively at the time the notice to exercise their pre-emptive rights under this article 13.5 is given to them by the Company, assuming for these purposes if such is not the case (i) that the Preference Shares have been converted to Ordinary Shares, and (ii) if any Warrantholder has pre-emptive rights in such circumstances under the terms of its Warrants, that that Warrantholder has exercised its rights to subscribe for Shares under its Warrant and such Shares have been issued to it immediately prior to the time at which the notice to exercise the pre-emptive rights under this article is given. The Company shall give written notice to each such shareholder of its intention to issue any such Relevant Securities. Upon receipt of that notice, each such shareholder shall have 20 Business Days in which to exercise his pre-emption rights, in whole or in part, by sending an acceptance notice to the Company. In this article the term "Warrants" means the Hawkpoint Warrants, NMR Warrants and MMC Warrants referred to in the definition of Permitted Option and the term "Warrantholder" means with respect to each Warrant the holder of that Warrant.

13.5.2 The board is unconditionally authorised to exercise all powers of the Company to allot relevant securities. The maximum nominal amount of relevant securities that may be allotted under this authority shall be the nominal amount of the unissued share capital at the date of adoption of this article or such other amount as may from time to time be authorised by the Company in general meeting. The authority conferred on the directors by this article shall remain in force for a period of five years from the date of adoption of this article but may be revoked varied or renewed from time to time by the Company in general meeting in accordance with the Act.

13.5.3 Section 89(1) of the Companies Act 1985 shall not apply to the allotment by the Company of any equity security.

13.5.4 The provisions of article 13.5.1 shall not apply to and no holder of shares shall have any pre-emption right in connection with:

- (a) the allotment or issue of Permitted Options and any allotment or issue of Shares pursuant to the exercise of any Permitted Options;
- (b) any allotment of Shares agreed to by Shareholder Consent.

13.6 Payment of Commission

The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Companies Acts.

13.7 Trusts Not Recognised

Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice of it) any interest in any share or (except only as by these articles or by law otherwise provided) any other right in respect of any share other than an absolute right to the whole of the share in the holder.

13.8 Right to Share Certificates

Subject to the provisions of these articles, every person (except a person to whom the Company is not by law required to issue a certificate) whose name is entered in the register as a holder of any shares shall be entitled, without payment, to receive within the time limits prescribed by the Companies Acts one certificate for all those shares of any one class. In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A member who transfers some but not all of the shares comprised in a certificate shall be entitled to a certificate for the balance without charge.

13.9 Replacement of Share Certificates

If a share certificate is defaced, worn out, lost or destroyed, it may be replaced (subject as provided in this article) without charge but on such terms (if any) as to evidence and indemnity as the board may decide and, where it is defaced or worn out, after delivery of the old certificate to the Company. Any two or more certificates representing shares of any one class held by any member shall at his request be cancelled and a single new certificate for such shares issued in lieu. Any certificate representing shares of any one class held by any member may at his request be cancelled and two or more certificates for such shares may be issued instead. The board may require the payment of any exceptional out-of-pocket expenses of the Company incurred in connection with the issue of any certificates under this article. Any one of two or more joint holders may request replacement certificates under this article.

13.10 Execution of Share Certificates

Every share certificate shall be executed under a seal or in such other manner as the board, having regard to the terms of issue may authorise, and shall specify the number and class of the shares to which it relates and the amount or respective amounts paid up on the shares. The board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical, electronic or other means or may be printed on them or that the certificates need not be signed by any person.

14. TRANSFER OF SHARES

14.1 Transfer

14.1.1 No Disposal of any share or any legal or beneficial interest in a share shall be permitted except (i) a transfer of the entire legal and beneficial interest in the share (and for these purposes a transfer of the entire legal and beneficial interest in a share from a member to a Family Trust of that member or a Privileged Relation of that member and from a Family Trust to a person or Privileged Relation of a person who has a beneficial interest in such Family Trust shall be permitted) made with the consent in writing of all the members and (ii) a transfer of the entire legal and beneficial interest in the share made subject to and in accordance with article 14.2.

14.1.2 **"Dispose"** means, in relation to any share or any legal or beneficial interest in any share:

- (a) to sell, assign, transfer or otherwise dispose of that share or any legal or beneficial interest in that share;
- (b) to pledge, charge, mortgage or otherwise create or permit to subsist any lien, security interest or encumbrance over that asset or any legal or beneficial interest in that asset;
- (c) to create any trust or confer any interest over that asset or any legal or beneficial interest in that asset;
- (d) to enter into any agreement, arrangement or understanding in respect of votes or the right to receive dividends with respect to that share;
- (e) to renounce or assign any right to receive that asset or any legal or beneficial interest in that asset; or
- (f) to agree, whether or not subject to any condition precedent (other than a condition precedent in relation to the observance of any pre-emption or other procedures required by these articles) or subsequent, to do any of the foregoing,

and any derivative term, as well as any reference to a **"Disposal"**, shall be construed accordingly.

14.1.3 Any transfer of shares made in accordance with these articles shall, subject to stamping, be registered promptly. The directors shall decline to register any transfer of shares which is not made in accordance with these articles.

14.2 Drag Along

14.2.1 For the purposes of this article 14.2, a **"Global Offer"** is an offer to buy all (but not some only) of the Shares then in issue which is:

- (A) made by a person who (unless otherwise agreed by Shareholder Consent) :
 - (i) is not a Shareholder or an Affiliate of a Shareholder;
 - (ii) is not a Privileged Relation of any Shareholder or a Family Trust of any Shareholder or Privileged Relation of a Shareholder;
 - (iii) if a member of the Palamon Group is a Shareholder is not a member of the Palamon Group;
 - (iv) is not a limited partnership, fund or collective investment or co-investment plan managed or controlled by a Shareholder or an Affiliate of a Shareholder (or the representative(s) or holder(s) or trustee(s) of any such partnership, fund or plan or any unit holder of other beneficiary of such partnership, fund or plan);

- (v) has no agreement or arrangement of any kind with any Shareholder relating to the offer other than an agreement or arrangement relating solely to acceptance of the offer or an arms length agreement or arrangement under which any Shareholder is to provide to the offeror any warranties or indemnities or restrictive covenants or continuing employment or similar assurances in connection with the proposed sale of Shares (but without hereby obliging any Shareholder to provide any such assurances to which he does not specifically agree in writing at the time);
- (B) conditional on acceptance in respect of all the Shares then in issue within a specified time period being made;
- (C) subject to no other conditions; and
- (D) at the same price per Share (provided that if the price payable per Share is lower than the amount paid on subscription for any of the Preference Shares then the total consideration payable shall be divided so that the price per Share shall be as follows:
 - (i) if the total consideration payable is equal to or less than the total amount paid on subscription for the Preference Shares plus £1 then:
 - (a) £1 in total shall be the price payable for all the Ordinary Shares;
 - (b) the price per Preference Share shall be the balance of the total consideration divided between the Preference Shares pro rata to the amount subscribed for each Preference Share;
 - (ii) if the total consideration payable is greater than the total amount paid on subscription for the Preference Shares plus £1 then:
 - (a) the price per Preference Share with respect to each Preference Share shall be the amount paid on subscription for that Preference Share; and
 - (b) the price per Ordinary Share shall be the balance of the consideration payable divided by the number of Ordinary Shares)

and otherwise on the same terms, except that no Minority Shareholder (as defined below) shall be obliged to provide any warranties, indemnities or other assurances (unless he otherwise separately agrees in writing) other than a warranty to the effect that he has capacity to enter into and complete his obligations arising on acceptance of the Global Offer and that the Shares to be transferred by him will be sold with full title guarantee and free of encumbrances and with all rights attaching to them.

- 14.2.2 (A) A Global Offer may be accepted at any time by a Shareholder or Shareholders (the "**Majority Shareholders**") including Preference Shareholders (if there are any Preference Shares in issue at the time) who hold between them at least 50% of the issued Preference Shares and who together would hold a majority

of the Voting Rights assuming that all options and warrants to subscribe for Shares had been exercised.

- (B) A Global Offer may not be accepted by a Shareholder who is not a Majority Shareholder ("a **Minority Shareholder**"), other than in accordance with article 14.2.2(C).
- (C) If a Global Offer is accepted by the Majority Shareholders with respect to all their Shareholdings then each of the other Shareholders shall be deemed to have accepted such Global Offer and the Majority Shareholders shall be and are hereby authorised on behalf of such other Shareholders to notify the person making the Global Offer of such other Shareholders' acceptance of the Global Offer.
- (D) The transfer of Shares pursuant to the Global Offer shall be completed in accordance with articles 14.2.4 and 14.2.5.

14.2.3 The offer constituted by a Global Offer shall extend to persons holding options to subscribe for Shares which are exercisable at the time of completion of the Share Transfers being made pursuant to the Global Offer or which become exercisable as a result of the making of the Global Offer or the completion of such Share Transfers. The provisions of article 14.2.2 shall apply to the Shares issued as a result of the exercise of such options in the same manner as they apply to Shares in issue at the time of the Global Offer.

14.2.4 On the Transfer of any Share, pursuant to this article 14.2, the Share shall be transferred free of encumbrances and with all rights attaching thereto.

14.2.5 On completion of any Transfer of Shares pursuant to this article 14.2:

- (A) the seller shall deliver to the purchaser a certificate representing the relevant Shares duly endorsed in the name of the purchaser or as directed by the purchaser and the Shareholders and the Company will ensure that subject to stamping such Transfer shall promptly be entered in the Company's share register;
- (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; and
- (C) 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 require to give effect to the Transfer of Shares to it.

14.2.6 If a shareholder fails or refuses to Transfer any Shares agreed to be sold as required under this article 14.2 against payment of the price for them:

- (i) the Company shall by written notice authorise any director to execute and deliver on the relevant shareholder's behalf the necessary instrument of Transfer and to do any other acts and/or execute any other deeds and

documents on the seller's behalf required to effect the transfer of shares on the terms of the Global Offer;

- (ii) the Company shall receive the purchase money in trust for the shareholder and the receipt of the company for the purchase money shall be a good discharge for the Transferee, who shall not be bound to see to the application of the purchase money;
- (iii) the Company shall, subject to the instrument of Transfer being duly stamped, cause the Transferee to be registered as holder of the relevant shares; and
- (iv) once registration has taken place in purported exercise of the power contained in this sub-clause, the validity of the proceedings shall not be questioned by any person.

14.3 Execution of Transfer

The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) the transferee, and the transferor shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the register in respect of it. All instruments of transfer, when registered, may be retained by the Company.

14.4 Rights to Decline Registration of Partly Paid Shares

The board may, in its absolute discretion and without giving any reason for so doing, decline to register any transfer of any share which is not a fully paid share.

14.5 Other Rights to Decline Registration

The board may decline to register any transfer of a share:

- (a) on which the Company has a lien;
- (b) to a person who is under 18 years of age;
- (c) if the instrument of transfer is not left at the office or such other place as the board may from time to time determine accompanied (save in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued) by the certificate for the share to which it relates and such other evidence as the board may reasonably require to show the right of the person executing the instrument of transfer to make the transfer;
- (d) if the instrument of transfer is not in respect of only one class of share; and
- (e) in the case of a transfer to joint holders, if the number of joint holders to whom the share is to be transferred exceeds four.

14.6 Notice of Refusal

If the board declines to register a transfer of a share it shall, within two months after the date on which the instrument of transfer was lodged, send to the transferee notice of the refusal.

14.7 No Fee for Registration

No fee shall be charged by the Company for registering any transfer, document or instruction relating to or affecting the title to any share or for making any other entry in the register.

15. TRANSMISSION OF SHARES

15.1 Transmission on Death

If a member dies, the survivor or survivors, where he was a joint holder, and his personal representatives, where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his shares; but nothing contained in these articles shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly with other persons.

15.2 Entry of Transmission in Register

Where the entitlement of a person to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law is proved to the satisfaction of the board, the board shall within two months after proof cause the entitlement of that person to be noted in the register.

15.3 Election of Person Entitled by Transmission

Any person entitled by transmission to a share may, subject as provided elsewhere in these articles, elect either to become the holder of the share or to have some person nominated by him registered as the holder. If he elects to be registered himself he shall give notice to the Company to that effect. If he elects to have another person registered, he shall transfer title to the share to that person. The board may at any time require the person to elect either to be registered himself or to transfer the share and if the requirements are not complied with within 60 days of being issued the board may withhold payment of all dividends and other moneys payable in respect of the share until the requirements have been complied with. All the provisions of these articles relating to the transfer of, and registration of transfers of, shares shall apply to the notice or transfer as if the death or bankruptcy of the member or other event giving rise to the transmission had not occurred and the notice or transfer was given or executed by the member.

15.4 Rights of Person Entitled by Transmission

Where a person becomes entitled by transmission to a share, the rights of the holder in relation to that share shall cease, but the person entitled by transmission to the share may give a good discharge for any dividends or other moneys payable in respect of it and shall have the same rights in relation to the share as he would have had if he were the holder of it save that, until he becomes the holder, he shall not be entitled in respect of the share (except with the authority of the board) to attend or vote at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company or to exercise any other right conferred by membership in relation to general meetings.

16. ALTERATION OF SHARE CAPITAL AND PRE-EMPTION RIGHTS

16.1 Increase, Consolidation, Sub-Division and Cancellation

The Company may from time to time:

- (i) increase its share capital by such sum to be divided into shares of such amount as the resolution shall prescribe including the creation of any new class or series of shares;
- (ii) consolidate, or consolidate and then sub-divide, all or any of its share capital into shares of larger amount than its existing shares;
- (iii) subject to the Companies Acts, sub-divide its shares or any of them into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others; and
- (iv) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

16.2 Fractions

Whenever as a result of a consolidation or consolidation and sub-division of shares any members would become entitled to fractions of a share, the board may deal with the fractions as it thinks fit. In particular the board may sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Companies Acts, the Company) and distribute the net proceeds of sale in due proportion among those members and the board may authorise some person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. For the purposes of effecting the sale, the board may arrange for the shares representing the fractions to be entered in the register. The person to whom any shares are transferred or delivered shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

16.3 Reduction of Capital

Subject to the provisions of the Companies Acts and the provisions of these articles, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account or any other undistributable reserve in any way.

PART 6: DISTRIBUTIONS, CAPITALISATIONS AND RETURNS OF VALUE

17. DIVIDENDS AND OTHER PAYMENTS

Declaration of Dividends by Company

Subject to the provisions of the Companies Acts, the Company may by ordinary resolution from time to time declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the board.

17.1 Payment of Interim and Fixed Dividends by Board

Subject to the provisions of the Companies Acts the board may pay such interim dividends as appear to the board to be justified by the financial position of the Company and may pay any dividend payable at a fixed rate at intervals settled by the board whenever the financial position of the Company, in the opinion of the board, justifies its payment. If the board acts in good faith, it shall not incur any liability to the holders of any shares for any loss they may suffer in consequence of the payment of an interim or fixed dividend on any other class of shares ranking *pari passu* with or after those shares.

17.2 Calculation and Currency of Dividends

Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:

- (a) all dividends shall be declared and paid according to the amounts paid up (excluding any premium) on the share in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this article as paid up on the share;
- (b) all dividends shall be apportioned and paid *pro rata* according to the amounts paid up (excluding any premium) on the share during any portion or portions of the period in respect of which the dividend is paid; and
- (c) dividends may be declared or paid in any currency.

The board may decide the basis of conversion for any currency conversions that may be required and how any costs involved are to be met.

17.3 Amounts Due on Shares may be Deducted from Dividends

The board may deduct from any dividend or other moneys payable to a member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company. Sums so deducted can be used to pay amounts owing to the Company in respect of the shares.

17.4 No Interest on Dividends

Subject to the rights attaching to, or the terms of issue of, any shares, no dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

17.5 Payment Procedure

Any dividend or other sum payable in cash by the Company in respect of a share may be paid by cheque, warrant or similar financial instrument sent by post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the register in respect of the shares at his address as appearing in the register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every cheque, warrant or similar financial instrument shall, unless the holder or joint holders otherwise direct, be made payable to the holder or, in the case of joint holders, to the holder whose name stands first on the register in respect of the shares, and shall be sent at his or their risk and payment of the cheque, warrant or similar financial instrument by the financial institution on which it is drawn shall constitute a good discharge to the Company. In addition, any such dividend or other sum may be paid by any bank or other funds transfer system or such other means and to or through such person as the holder or joint holders may in writing direct, and the Company shall have no responsibility for any sums lost or delayed in the course of payment by any such system or other means or where it has acted on any such directions. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable on or in respect of the shares held by them. Where a person is entitled by transmission to a share, any dividend or other sum payable by the Company in respect of the share may be paid as if he were a holder of the share and his address noted in the register were his registered address and where two or more persons are so entitled, any one of them may give effectual receipts for any dividends or other moneys payable or property distributable on or in respect of the shares.

17.6 Uncashed Dividends

The Company may cease to send any cheque, warrant or similar financial instrument through the post or to employ any other means of payment for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable on those shares the cheques, warrants or similar financial instruments have been returned undelivered or remain uncashed during or at the end of the period for which the same are valid or that means of payment has failed. In addition, the Company may cease to send any cheque, warrant or similar financial instrument through the post or may cease to employ any other means of payment if, in respect of one dividend payable on those shares, the cheque, warrant or similar financial instrument has been returned undelivered or remains uncashed during or at the end of the period for which the same is valid or that means of payment has failed and reasonable enquiries have failed to establish any new address or account of the holder. Subject to the provisions of these articles, the Company must recommence sending cheques, warrants or similar financial instruments or employing such other means in respect of dividends payable on those shares if the holder or person entitled by transmission requests such recommencement in writing.

17.7 Forfeiture of Unclaimed Dividends

All dividends or other sums payable on or in respect of any shares which remain unclaimed may be invested or otherwise made use of by the board for the benefit of the Company until claimed. Any dividend or other sum unclaimed after a period of 12 years from the date when it was declared or became due for payment shall be forfeited and shall revert to the Company and the payment by the board of any unclaimed dividend or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect of it.

17.8 Dividends Not in Cash

Any general meeting declaring a dividend may, upon the recommendation of the board, by ordinary resolution direct that it shall be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other Company, and where any difficulty arises in regard to the distribution the board may settle it as it thinks expedient, and in particular may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any assets or any part thereof to be distributed and may determine that cash shall be paid to any members upon the footing of the value so fixed in order to secure equality of distribution and may vest any assets to be distributed in trustees as may seem expedient to the board.

18. DISTRIBUTION OF ASSETS OTHERWISE THAN IN CASH

Subject to article 2.5, if the Company commences liquidation, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Acts:

- (i) divide among the members in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and, for that purpose, set such values as he deems fair upon any property to be divided and determine how the division shall be carried out as between the members or different classes of members, or
- (ii) vest the whole or any part of the assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit

but no member shall be compelled to accept any shares or other assets upon which there is any liability.

PART 7: LIEN, CALLS AND FORFEITURE

19. LIEN

19.1 Company's Lien on Shares Not Fully Paid

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all amounts payable to the Company (whether presently or not) in respect of that share. The Company's lien on a share shall extend to every amount payable in respect of it. The board may at any time either generally or in any particular case waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of this article.

19.2 Enforcing Lien by Sale

The Company may sell, in such manner as the board may decide, any share on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after a notice in writing has been served on the holder of the share or the person who is entitled by transmission to the share and who has supplied the Company with an address within the United Kingdom for the service of notices, demanding payment and stating that if the notice is not complied with the share may be sold. For giving effect to the sale the board may authorise some person to execute an instrument of transfer of the share sold to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in relation to the sale.

19.3 Application of Proceeds of Sale

The net proceeds, after payment of the costs, of the sale by the Company of any share on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as it is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale and upon surrender, if required by the Company, for cancellation of the certificate for the share sold) be paid to the person who was entitled to the share at the time of the sale.

20. CALLS ON SHARES

20.1 Calls

Subject to the terms of issue, the board may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not payable on a date fixed by or in accordance with the terms of issue, and each member shall (subject to the Company serving upon him at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be made payable by instalments. A call may be revoked or postponed, in whole or in part, as the board may decide. A person upon whom a call is made shall remain liable for all calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

20.2 Payment on Calls

A call shall be deemed to have been made at the time when the resolution of the board authorising the call was passed.

20.3 Liability of Joint Holders

The joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share.

20.4 Interest Due on Non-Payment

If a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it is due and payable to the time of actual payment at such rate, not exceeding 15 per cent. per annum, as the board may decide, and all expenses that have been incurred by the Company by reason of such non-payment, but the board shall be at liberty in any case or cases to waive payment of the interest or expenses wholly or in part.

20.5 Sums Due on Allotment Treated as Calls

Any amount which becomes payable in respect of a share on allotment or on any other date fixed by or in accordance with the terms of issue, whether in respect of the nominal amount of the share or by way of premium or as an instalment of a call, shall be deemed to be a call and, if it is not paid, all the provisions of these articles shall apply as if the sum had become due and payable by virtue of a call.

20.6 Power to Differentiate

Subject to the terms of issue, the board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

20.7 Payment of Calls in Advance

The board may, if it thinks fit, receive from any member who is willing to advance them all or any part of the moneys uncalled and unpaid upon any shares held by him and on all or any of the moneys so advanced the Company may (until those moneys would, but for the advance, become presently payable) pay interest at such rate, not exceeding (unless the Company by ordinary resolution shall otherwise direct) 15 per cent. per annum, as the board may decide.

21. FORFEITURE OF SHARES

21.1 Notice if Call or Instalment Not Paid

If any call or instalment of a call remains unpaid on any share after the day appointed for payment, the board may at any time serve a notice on the holder requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and any expenses incurred by the Company by reason of such non-payment.

21.2 Form of Notice

The notice shall name a further day (not being less than 14 clear days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that in the event of non-payment on or before the day and at the place appointed, the shares in respect of which the call has been made or instalment is payable will be liable to be forfeited. The board may accept the surrender of any share liable to be forfeited and, in that event, references in these articles to forfeiture shall include surrender.

21.3 Forfeiture for Non-Compliance with Notice

If the notice is not complied with, any share in respect of which it was given may, at any time before payment of all calls or instalments and interest and expenses due in respect of it has been made, be forfeited by a resolution of the board to that effect and the forfeiture shall include all dividends declared and other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

21.4 Notice after Forfeiture

When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share but no forfeiture shall be invalidated by any omission or neglect to give notice.

21.5 Sale of Forfeited Shares

Until cancelled in accordance with the requirements of the Companies Acts, a forfeited share shall be deemed to be the property of the Company and may be sold or otherwise disposed of either to the person who was, before forfeiture, the holder or to any other person upon such terms and in such manner as the board shall decide. The board may for the purposes of the disposal authorise some person to execute an instrument of transfer to the designated transferee. The Company may receive the consideration (if any) given for the share on its disposal. At any time before a sale or disposition the forfeiture may be cancelled by the board on such terms as the board may decide.

21.6 Arrears to be Paid Notwithstanding Forfeitures

A person whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the forfeited shares but shall remain liable to pay to the Company all moneys which at the date of the forfeiture were payable by him to the Company in respect of those shares with interest thereon at the rate of 15 per cent. per annum (or such lower rate as the board may decide) from the date of forfeiture until payment, and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for any consideration received on their disposal.

21.7 Statutory Declaration as to Forfeiture

A statutory declaration that the declarant is a director of the Company or the secretary and that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is sold or otherwise disposed of shall not be

bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale or disposal.

PART 8: GENERAL PROVISIONS

22. SERVICE OF NOTICES AND DOCUMENTS

22.1 Any notice or document (including a share certificate) to be given or delivered to or by any person pursuant to these articles (save for notices of board meetings as provided by article 4.2) shall only be effective if it is in writing. Faxes are permitted but e-mails are not permitted.

22.2 Any notice may be served on or delivered to any person under these articles:

22.2.1 personally; or

22.2.2 by leaving it for, or sending it by post (first class if inland and airmail if overseas) addressed to, a member at his registered address or the Company at its registered office; or

22.2.3 by fax to a number provided by the member, Company or director for this purpose; or

22.2.4 by any other means authorised in writing by the member, Company or director.

22.3 In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders.

22.4 A member or director present in person or by proxy or alternate at any meeting of the Company or of the holders of any class of shares in the Company or at any meeting of directors shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

22.5 Any notice given under these articles shall, in the absence of earlier receipt, be deemed to have been duly given as follows:

22.5.1 if delivered personally, on delivery;

22.5.2 if sent by first class inland post, two Business Days after the date of posting;

22.5.3 if sent by airmail, six Business Days after the date of posting; and

22.5.4 if sent by facsimile when the recipient acknowledges receipt.

23. MISCELLANEOUS

23.1 Secretary

Subject to the provisions of the Companies Acts, the secretary shall be appointed by the board for such term and upon such conditions as the board may think fit; and any secretary so appointed may be removed by the board. The secretary shall receive such remuneration as the board or any committee authorised by the board shall decide.

23.2 Seals

The board shall provide for the custody of every seal of the Company. A seal shall only be used by the authority of the board or of a committee of the board authorised by the board in that behalf. Subject as otherwise provided in these articles, and to any resolution of the board or committee of the board dispensing with the requirement for counter-signature on any occasion, any instrument to which the common seal is applied shall be signed by at least one director and the secretary, or by at least two directors or by such other person or persons as the board may approve. Any instrument to which an official seal is applied need not, unless the board for the time being otherwise decides or the law otherwise requires, be signed by any person.

23.3 Record Dates

Notwithstanding any other provision of these articles, the Company or the board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made. The power to fix any such record date shall include the power to fix a time on the chosen date.

23.4 Accounting Records

The board shall cause to be kept accounting records sufficient to show and explain the Company's transactions, and such as to disclose with reasonable accuracy at any time the financial position of the Company at that time, and which accord with the Companies Acts.

23.5 Destruction of Documents

If the Company destroys or deletes:

- (a) any share certificate which has been cancelled at any time after a period of one year has elapsed from the date of cancellation, or
- (b) any instruction concerning the payment of dividends or other moneys in respect of any share or any notification of change of name or address at any time after a period of two years has elapsed from the date the instruction or notification was recorded by the Company, or
- (c) any instrument of transfer of shares which has been registered at any time after a period of six years has elapsed from the date of registration, or
- (d) any other document on the basis of which any entry is made in the register at any time after a period of six years has elapsed from the date the entry was first made in the register in respect of it

and the Company destroys or deletes the document or instruction in good faith and without express notice that its preservation was relevant to a claim, it shall be presumed irrefutably in favour of the Company that every share certificate so destroyed was a valid certificate and was properly cancelled, that every instrument of transfer so destroyed or deleted was a valid and effective instrument of transfer or instruction and was properly registered and that every other document so destroyed was a valid and effective document and that any particulars of it which are recorded in the books or records of the Company were correctly recorded. Nothing

contained in this article shall be construed as imposing upon the Company any liability which, but for this article, would not exist or by reason only of the destruction of any document of the kind mentioned above before the relevant period mentioned in this article has elapsed or of the fact that any other condition precedent to its destruction mentioned above has not been fulfilled. References in this article to the destruction of any document include references to its disposal in any manner.

23.6 Indemnity

Subject to the provisions of the Companies Acts, the Company may indemnify any director or other officer against any liability and may purchase and maintain for any director or other officer of the Company or any of its subsidiary undertakings 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 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, 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 Companies Acts in which relief is granted to him by the court. For the purposes of this article no person appointed or employed by the Company as an auditor is an officer of the Company.