

Registered Number: 4421641

THE COMPANIES ACTS

KEALOHA II LIMITED
(the "Company")



PRIVATE COMPANY LIMITED BY SHARES

SHAREHOLDERS' WRITTEN RESOLUTION

In accordance with article 16 of the Company's articles of association, we, the undersigned, being all the members of the Company who, at the date of this resolution, are entitled to attend and vote at a general meeting of the Company HEREBY RESOLVE in writing as follows:-

SPECIAL RESOLUTION

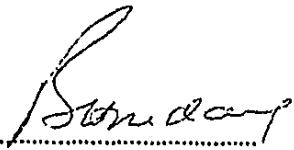
IT WAS RESOLVED THAT:

- (a) the whole of the issued and unissued authorised share capital of the Company of 100 ordinary shares of £1 each be and is hereby redesignated and subdivided into 10,000 B ordinary shares of £0.01 each having the rights and being subject to the restrictions set out in the new Articles of Association to be adopted by this resolution;
- (b) the authorised share capital of the Company be increased from £100 to £10,000 by the creation of:
 - (i) 226,000 'A1' ordinary shares of £0.01 each;
 - (ii) 214,000 'A2' ordinary shares of £0.01 each; and
 - (iii) 550,000 'B' ordinary shares of £0.01 each,each having the rights and being subject to the restrictions set out in the new Articles of Association to be adopted by this resolution;
- (c) the directors be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of section 80 Companies Act 1985) up to an aggregate maximum nominal amount of £2,998 provided that this

authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on fifth anniversary of the date of this resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired;

- (d) the regulations contained in the document attached (for the purpose of identification marked "A") be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.

The date of the resolution is the date on which the last of us to sign it did so.

Signed  -
Peter David Holliday

Date 12 July 2002

Signed  -
Michael Richard Lethaby

Date 12 July 2002

'A'

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION
of
KEALOHA II LIMITED

(as adopted by Special Resolution passed on 12 July 2002)

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THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

NEW
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of
KEALOHA II LIMITED

(as adopted by Special Resolution passed on

2002)

1 Preliminary

1.1 The regulations contained in Table A as prescribed by the regulations made under the Act in force at the date of the adoption of these Articles of Association (hereinafter referred to as "Table A") shall apply to the Company in so far as these Articles do not exclude or modify Table A. A reference herein to any regulation is to that regulation as set out in Table A.

1.2 In these Articles the following words and expressions shall have the meanings set out below:

the Act	the Companies Act 1985 including every statutory modification or re-enactment thereof for the time being in force
'A1' Director	the director appointed pursuant to Article 2.2(d)
'A2' Director	the director appointed pursuant to Article 2.2(e)
'A' Shares	together the 'A1' Shares and the 'A2' Shares
'A1' Shares	'A1' ordinary shares of £0.01 each in the capital of the Company having the rights set out in Article 2.2
'A2' Shares	'A2' ordinary shares of £0.01 each in the capital of the Company having the rights set out in Article 2.2
the Auditors	the auditors for the time being of the Company
'B' Shares	'B' ordinary shares of £0.01 each in the capital of the Company having the rights set out in Article 2.2
Bank Documents	the Senior Facilities Agreement and the Mezzanine Facility Agreement and each of the other "Senior Financing Documents" and "Mezzanine Financing Documents" as defined in the Senior Facilities Agreement
Buyer	as defined in Article 8.1

Code	means the City Code on Takeovers and Mergers
Compulsory Purchase Interest	means an interest in shares carrying more than 75% of Voting Rights save that if David Holliday has become a Bad Leaver and he (and any Relevant Member of his) has not transferred all of the Shares held by him (and any Relevant Member of his) following deemed service of the Mandatory Sale Notice pursuant to Article 9, the "Compulsory Purchase Interest" means an interest in shares carrying more than 65% of Voting Rights
Compulsory Purchase Notice	as defined in Article 8.3
Compulsory Sell Notice	as defined in Article 8.4
Controlled Person	a person to whom a Permitted Transfer is made pursuant to Article 4.1.1(i) or (j)
Controlling Interest	means shares representing not less than 20% of Voting Rights
the Directors	the board of directors of the Company from time to time or any duly constituted committee of it
Executive	a director or employee of, or a consultant to, the Company or any subsidiary of the Company from time to time
Family Trust	as regards any particular individual member or deceased or former individual member, a trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than that individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be immediately beneficially interested in a Share if such Share or the income thereof is to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are to be exercisable by or as directed by such person pursuant in each case to the terms of the relevant trust or in consequence of an exercise of a power or discretion conferred thereby on any person or persons
Financial Institution	a person who is or who is a Member of the same Group which contains: <ul style="list-style-type: none"> (i) any institution recognized by the United Kingdom Inland Revenue as carrying on through its lending office a bona fide banking business in the United Kingdom for

	the purposes of section 349(3) of the Income and Corporation Taxes Act 1988; or
	(ii) any bona fide financial organization involved in investing in or advising on investments in the nature of venture or development capital or private equity; or
	(iii) any trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets
General Offer	an Offer made in accordance with the provisions of Article 8
the Investors	the meaning ascribed thereto in the Investment Agreement
Investment Agreement	the investment agreement between, amongst others, Phildrew Ventures Fifth Fund, RBSM Investments Limited, the Executives (as defined therein), the Employees (as defined therein) and the Company dated on or about the date hereof
Investment Fund	any person, company, trust, limited partnership or fund holding Shares for investment purposes and not being a member of the Company by virtue of being a Relevant Member
Listing	a successful application being made for all of the Ordinary Share Capital to be admitted to the Official List of London Stock Exchange plc or (subject to the written consent of persons who together hold or beneficially own for the time being more than 50% in nominal value of the A1 Shares in issue and the written consent of persons who together hold or beneficially own for the time being more than 50% in nominal value of the A2 Shares in issue) any other recognised investment exchange (as defined by Section 285 of the Financial Services and Markets Act 2000) or the European Association of Securities Dealers Automated Quotation System
Majority	as regards members of a class or classes of Shares, a majority by reference to the number of Shares of such class or classes held and not by reference to the number of members holding Shares of such class or classes
a Member of the same Group	as regards any company, a company which is for the time being a holding company or a subsidiary of that company or of any such holding company (as "holding company" and "subsidiary" are defined in section 736 of the Act)

Mezzanine Facility Agreement	the mezzanine facility agreement in the agreed form to be entered into between, amongst others, the Company and RBS Mezzanine Limited, as amended from time to time, for the provision of a £10.8 million mezzanine facility
Minority Shareholders	as defined in Article 8.4
the Ordinary Share Capital	collectively, the 'A' Shares and the 'B' Shares and except where expressly provided otherwise in these Articles the 'A' Shares and the 'B' Shares shall be treated as the same class
Ordinary Shares	together, the 'A' Shares and the 'B' Shares
Original Shareholder	each of the persons named in column 1 of Schedule 2 to the Investment Agreement (including any Relevant Member of any Executive who is an Original Shareholder)
Permitted Transfer	a transfer of Shares permitted by Article 4
Permitted Transferee	a person, firm or unincorporated association to whom or which Shares have been transferred pursuant to a Permitted Transfer
Privileged Relation	in relation to an individual member or deceased or former individual member, the husband or wife or the widower or widow of such member and such member's children and grandchildren (including step and adopted children and grandchildren) and the parents of such member
Relevant Member	a member who is an Executive, or a member who shall have acquired Shares directly or indirectly from an Executive pursuant to one or more Permitted Transfers under Article 4.1.1(b), (c), (i) or (j) or Article 4.2 (including where such Shares were subscribed by such member and that member would have been entitled to receive a Permitted Transfer from the Executive under Article 4.1.1(c) or Article 4.2)
the Relevant Shares	(so far as the same remain for the time being held by the trustees of any Family Trust or by any Transferee Company or by any Privileged Relation or by a Controlled Person) the Shares originally acquired by such trustees, Transferee Company, Privileged Relation or Controlled Person as the case may be and any additional Shares issued to such trustees, Transferee Company, Privileged Relation or Controlled Person as the case may be by way of capitalisation or acquired by such trustees, Transferee Company, Privileged Relation or Controlled Person in exercise of any right or option granted or arising by virtue of the holding of such

	Shares or any of them or the membership thereby conferred
Remuneration Committee	any committee for the time being of the board of Directors established in accordance with the Investment Agreement and acting in accordance with the Investment Agreement and these Articles to deal, inter alia, with the matters relating to remuneration within its remit provided in these Articles and/or the Investment Agreement
Sale Notice	a notice served or deemed to be served pursuant to Article 5
Senior Facilities Agreement	the agreement in the agreed form to be entered into between, amongst others, the Company and the Senior Agent (as defined therein), as amended from time to time, for the provision to, amongst others, the Company of £36 million term loan and a £14.5 million revolving credit facility
Shares	any shares for the time being in the capital of the Company
Shareholder	a holder for the time being of any Shares
Subscription Price	in relation to any Share, the amount paid up or credited as paid up thereon (including the full amount of any premium at which such Share was issued whether or not such premium is applied for any purpose thereafter) and with respect to the Shares issued to Executives pursuant to an agreement dated on or about 11 July 2002 amongst the Company and others to acquire the whole of the issued share capital of Ward Homes Group Limited, the Subscription Price shall be deemed to be £4.54
Transferee Company	a company for the time being holding Shares in consequence, directly or indirectly, of a transfer or series of transfers of Shares between Members of the same Group (the relevant Transferor Company in the case of a series of such transfers being the first transferor in such series)
Transferor Company	a company (other than a Transferee Company) which has transferred or proposes to transfer Shares to a Member of the same Group
Voting Rights	the right to receive notice of, attend (in person or by proxy), speak (in person or by proxy) and vote (in person or by proxy) at general meetings of the Company

2 Share Capital

2.1 Authorised Share Capital

The share capital of the Company at the date of adoption of these Articles is £10,000 divided into 226,000 'A1' Shares, 214,000 'A2' Shares and 560,000 'B' Shares.

2.2 The Ordinary Shares shall entitle the holders thereof to the following rights:

(a) as regards dividend:

(i) subject to paragraphs (ii), (iii) and (iv) of this Article 2.2(a), the Company shall apply any profits which the Directors resolve to distribute in any financial year in paying a dividend to the holders of the 'A' Shares and 'B' Shares in respect of their holdings of such Shares, *pari passu* and *pro rata* to the number of Shares held by each of them provided that no such dividend shall be declared and/or payable without the affirmative vote of the A1 Director or the A2 Director;

(ii) in respect of the financial year of the Company ending in 2006, the profits of the Company for the time being available for distribution shall be applied in paying to the holders of the 'A' Shares a cash dividend per 'A' Share equal to an amount calculated according to the following formula:

$$D = \frac{PTP \times 10\%}{N}$$

(iii) in respect of the financial year of the Company ending in 2007, the profits of the Company for the time being available for distribution shall be applied in paying to the holders of the 'A' Shares a cash dividend per 'A' Share equal to an amount calculated according to the following formula:

$$D = \frac{PTP \times 25\%}{N}$$

(iv) in respect of each financial year of the Company ending in or after 2008, the profits of the Company for the time being available for distribution shall be applied in paying to the holders of the 'A' Shares a cash dividend per 'A' Share equal to an amount calculated according to the following formula:

$$D = \frac{PTP \times 50\%}{N}$$

where in each of sub-paragraphs (ii), (iii) and (iv) above:

D = the amount of the participating dividend for the relevant financial year (the "Participating Dividend")

PTP= the consolidated net post-tax profit of the Company and its subsidiaries for such financial year (as shown by the audited accounts of the Company for such financial year)

N = the number of Ordinary Shares in issue at the end of such financial year

PROVIDED THAT:

- (A) subject to proviso (B) below, the Participating Dividend shall become payable and be paid on the date which falls four months after the end of the financial year to which such dividend relates or 14 days after the annual general meeting at which the accounts of the Company for such financial year are laid before the Members of the Company whichever is the earlier (the "Payment Date");
 - (B) the payment of the Participating Dividend in respect of any year in accordance with (A) above shall be suspended if, at the relevant Payment Date, a corporate finance adviser has been appointed by the Company or the holders of a Compulsory Purchase Interest with a mandate to assist in achieving a Realisation (as defined in the Investment Agreement) within the next 12 months. If a Realisation does take place within such 12 month period, the Participating Dividend that had been suspended shall not be payable. If a Realisation does not take place within the 12 month period, the Participating Dividend that had been suspended shall become due and payable at the end of that period and be paid immediately;
 - (C) each Participating Dividend shall become due and payable on the date referred to above ipso facto and without any recommendation or resolution of the Directors or the Company in general meeting (and notwithstanding anything to the contrary contained in these Articles);
 - (D) the Company shall procure that the profits of any other Member of the same Group for the time being available for distribution shall be paid to it by way of dividend if and to the extent that, but for such payment, the Company would not itself otherwise have sufficient profits available for distribution to pay in full the Participating Dividend;
 - (E) if the Company is not lawfully able to pay any Participating Dividend in full on the due date for payment of the same then it shall on such date pay the same to the extent that it is then lawfully able so to do and, without prejudice to the respective rights of the holders of the relevant Shares, any amount not then so paid shall be paid so soon thereafter as the Company is lawfully able to pay the same;
 - (F) in the event of the acquisition by any one person, or persons who together are acting in concert, of a Compulsory Purchase Interest, all 'A' Shares shall cease to be entitled to the Participating Dividend;
- (b) as regards capital:

on a return of assets on a liquidation, reduction of capital or otherwise, the surplus assets of the Company remaining after payment of its liabilities shall belong to and be distributed amongst the holders of the 'A' Shares and the 'B' Shares (pari passu as if the same constituted one class of share and pro rata to the number of Shares held by each of them);

- (c) subject to paragraphs (d) and (e) below, each holder of Ordinary Shares shall be entitled to receive notice of and to attend at general meetings of the Company and shall be entitled to vote at general meetings of the Company; every holder of Ordinary Shares entitled to vote and who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll every holder of Ordinary Shares so present shall have one vote for each Ordinary Share held by him;
- (d) the holders of the 'A1' Shares shall have the right, by notice in writing signed by a Majority of the holders of the 'A1' Shares delivered to the registered office of the Company, to appoint a person nominated by such holders (the " 'A1' Director ") as a non-executive Director of the Company and to remove from office any person so appointed and, upon him ceasing to hold office for any reason whatever, to appoint another person in his place; upon such notice being given as aforesaid, the Company shall also procure that the 'A1' Director be appointed or, as the case may be, removed as a director of any subsidiary of the Company. For so long as the right to appoint the 'A1' Director under these Articles subsists, upon a poll being taken in connection with a resolution of the Company in General Meeting to remove the 'A1' Director or to restrict or delete this Article 2.2(d), the Shareholders entitled to appoint the same (or any nominees therefor holding Shares in the Company) shall be entitled to exercise such total number of votes in respect of their holdings of 'A1' Shares as shall equal twice the total number of votes cast on such resolution by all other Shareholders of the Company;
- (e) the holders of the 'A2' Shares shall have the right, by notice in writing signed by a Majority of the holders of the 'A2' Shares delivered to the registered office of the Company, to appoint a person nominated by such holders (the " 'A2' Director ") as a non-executive Director of the Company and to remove from office any person so appointed and, upon him ceasing to hold office for any reason whatever, to appoint another person in his place; upon such notice being given as aforesaid, the Company shall also procure that the 'A2' Director be appointed or, as the case may be, removed as a director of any subsidiary of the Company. For so long as the right to appoint the 'A2' Director under these Articles subsists, upon a poll being taken in connection with a resolution of the Company in General Meeting to remove the 'A2' Director or to restrict or delete this Article 2.2(e), the Shareholders entitled to appoint the same (or any nominees

therefor holding Shares in the Company) shall be entitled to exercise such total number of votes in respect of their holdings of 'A2' Shares as shall equal twice the total number of votes cast on such resolution by all other Shareholders of the Company.

- 2.3 Subject to the Act, and provided it is a private company, the Company shall be authorised to make a payment in respect of the redemption or purchase of any of its own Shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of Shares.

3 Issue of Shares

Subject to the provisions of the Act and the Investment Agreement, all unissued Shares shall be at the disposal of the Directors and they may allot, grant rights, options or warrants to subscribe or otherwise dispose of them to such persons, at such times, and on such terms as they think proper.

4 Permitted Transfer

- 4.1.1 Subject to the provisions of Regulation 24 and Article 4.6 any Shares (other than any Shares in respect of which the holder shall have been required by the Directors under these Articles to give a Mandatory Sale Notice (as defined in Article 9.5) or shall have been deemed to have given a Mandatory Sale Notice) may at any time be transferred:

- (a) to any person with the prior consent in writing of holders of Shares entitled to cast 95% of the votes exercisable on a poll at a general meeting of the Company (which consent may be granted unconditionally, or subject to terms or conditions and in the latter case any Share so transferred shall be held subject to such terms and conditions notified in writing to the transferee prior to registration of the transfer); or
- (b) by any individual member (not being in relation to the Shares concerned a holder thereof as a trustee of any Family Trusts) to a Privileged Relation of such member; or
- (c) by any such individual member to a trustee or trustees to be held upon a Family Trust of such individual member; or
- (d) by any member being a company (not being in relation to the Shares concerned a holder thereof as a trustee of any Family Trusts) to a Member of the same Group as the Transferor Company; or
- (e) by any person entitled to Shares in consequence of the death or bankruptcy of an individual member to any person or trustee to whom such individual member, if not dead or bankrupt, would be permitted hereunder to transfer the same; or
- (f) by a holder of 'A' Shares which is an Investment Fund or by its trustee, custodian or nominee:
 - (i) to any trustee, nominee or custodian for such fund and vice versa;
 - (ii) to any unitholder, shareholder, partner, participant, manager or adviser (or an employee of such manager or adviser) in any such fund;

- (iii) to any other Investment Fund, or its trustee, nominee or custodian, managed or advised by the same manager or adviser as any such fund; or
- (g) to a trustee, nominee, custodian for or (in the case of a company) to a Member of the same Group as any of the persons referred to in sub-paragraphs (i) (ii) or (iii) of paragraph (f) above of this Article 4.1.1; or
- (h) to a "Co-Investment Scheme", being a scheme under which certain officers, employees or partners of an Investor or of its adviser, manager, consultant or sponsor (or any such adviser, manager, consultant or sponsor itself) are entitled (as individuals or through a body corporate or any other vehicle) to acquire Shares which the Investor would otherwise acquire; or
- (i) to a company or companies or a partnership or partnerships (limited or otherwise) controlled by an Executive. For this purpose, "control" shall mean in relation to a company as defined by Section 736 of the Act and in relation to a partnership it shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the partnership, whether through ownership of securities, assets, contract or otherwise. For this purpose it is expressly acknowledged that each of PDH Ventures Limited, PDH Ventures II Limited and Riverbank Associates Limited is controlled by David Holliday; or
- (j) by any company or partnership controlled (as the term is defined in paragraph (i) above) by an Executive to that Executive or to another company or partnership controlled by that Executive; or
- (k) by RBSM Investments Limited to any Financial Institution to the extent permitted by the Investment Agreement.

4.1.2 A Co-Investment Scheme which holds Shares through a body corporate or another vehicle may transfer Shares to:

- (a) another body corporate or another vehicle which holds or is to hold shares for the Co-Investment Scheme; or
- (b) the officers, employees, partners, adviser, manager, consultant or sponsor entitled to the Shares under the Co-Investment Scheme; or
- (c) the trustee of any Family Trust to whom any person referred to in Article 4.1.1(b) could transfer Shares.

4.2 Where Shares have been issued to trustees of a Family Trust or transferred under Article 4.1.1 or under paragraphs (a) or (b) of this Article to trustees of a Family Trust, the trustees and their successors in office may transfer all or any of the Relevant Shares:

- (a) to the trustees for the time being of the Family Trust concerned on any change of trustees;
- (b) to the trustees for the time being of any other trust being a Family Trust in relation to the same individual member or deceased or former member pursuant to the

terms of such Family Trusts or to any discretion vested in the trustees thereof or any other person; or

- (c) to the Relevant Member or former member for such Family Trust or any Privileged Relation of the Relevant Member or deceased or former member who has thereby become entitled to the Shares proposed to be transferred on the total or partial termination of or pursuant to the terms of the Family Trust concerned or in consequence of the exercise of any such power or discretion as aforesaid.

4.3 If and whenever any of the Relevant Shares come to be held otherwise than upon a Family Trust, except in circumstances where a transfer thereof is authorised pursuant to Article 4.2 to be and is to be made to the person or persons entitled thereto, it shall be the duty of the trustees holding such Shares to notify the Directors in writing that such event has occurred and the trustees shall be bound, if and when required in writing by the Directors so to do, to take such steps as are necessary to transfer or procure the transfer of such Shares to the Executive in respect of the Relevant Member and if such transfer shall not have been effected within 30 days to give a Sale Notice in respect of the Shares concerned.

4.4 If a person holding Relevant Shares as a consequence of a transfer pursuant to Article 4.1.1(b) shall cease to be a Privileged Relation, such person shall be bound, if and when required in writing by the Directors so to do, to transfer such Relevant Shares to the Executive in respect of the Relevant Member (or, failing completion of such transfer(s) within 21 days of the Directors' notice) to give a Sale Notice in respect of the Shares concerned.

4.5 If a Transferee Company ceases to be a Member of the same Group as the Transferor Company from which (whether directly or by a series of transfers under Article 4.1.1(d)) the Relevant Shares derived, it shall be the duty of the Transferee Company to notify the Directors in writing that such event has occurred and (unless the Relevant Shares are thereupon transferred to the Transferor Company or a Member of the same Group as the Transferor Company, any such transfer being deemed to be authorised under the foregoing provisions of this Article) the Transferee Company shall be bound, if and when required in writing by the Directors so to do, to give a Sale Notice in respect of the Relevant Shares.

4.6 Any transfer of any Shares in the capital of the Company or any interest therein (the expression "transfer" being deemed to include for the purposes of this Article 4.6 any grant of contractual rights or options over or in respect of such Shares or any interest therein) shall be subject to the following restrictions (in addition to any other restrictions contained in these Articles) which may be waived in writing in whole or in part by the Majority of the holders of the 'A1' Shares, the Majority of the holders of the 'A2' Shares and the Majority of the holders of the 'B' Shares:

- (a) in the event that the relevant transferee or person receiving the benefit of any transfer is not a party to the Investment Agreement the transferor or grantor in relation to such transfer (as the case may be) shall procure that such transferee or person adheres at the time of the transfer to the terms of the Investment Agreement in accordance with the provisions of clause 8.2 thereof and the Directors shall not register any transfer (in the case of transfer of any legal title to any Shares) unless and until this has been done; and

- (b) in the event that the Company incurs or is likely to incur any unrecoverable tax liability as a result of any such transfer the transfer shall not be made by the transferor or grantor (as the case may be).

4.7 If a company or partnership holding Relevant Shares as a consequence of a transfer pursuant to article 4.1.1(i) or (j) ceases to be controlled by the Executive in respect of the Relevant Member, such company or partnership shall be bound, if and when required by the Directors so to do, to transfer such Shares to the Executive in respect of the Relevant Member or, failing completion of such transfer(s) within 21 days of the Directors' notice, to give a Sale Notice in respect of the Shares concerned.

5 Pre-emption on Transfer

5.1 Except in the case of any Permitted Transfer or a transfer pursuant to Article 9 any Shareholder (the "Selling Shareholder") wishing to transfer (as defined in Article 4.6) or otherwise dispose of part or all of the Shares held by him shall first give a notice in writing (a "Sale Notice") to the Company specifying the number of the Shares which the Shareholder wishes to sell (the "Offered Shares") and (other than in circumstances where the Selling Shareholder is required to give a Sale Notice) the price (the "Sale Price") at which he is prepared to sell such Shares and such notice shall constitute the Company the agent of the Selling Shareholder for the sale of the Offered Shares (together with all rights then attached thereto) at the Sale Price. A Sale Notice once given may not be withdrawn. A Sale Notice may (other than in circumstances where the Selling Shareholder is required to give a Sale Notice) include a condition (a "Total Transfer Condition") that if all the Offered Shares are not sold to the persons as are referred to in Article 5.5 below, then none shall be so sold. If a Total Transfer Condition is included then any offer of Offered Shares shall be made subject to Article 5.6 below.

5.2 In circumstances where the Selling Shareholder is required by any of Articles 4.3, 4.4, 4.5, 4.7, 6, 7.1 and 7.2 to give a Sale Notice the "Sale Price" means, for the purpose of this Article 5, in relation to the Offered Shares, a price to be agreed between the Selling Shareholder and the Directors as representing the market value thereof, or failing agreement within 28 days of service of the Sale Notice by the Selling Shareholder, to be established by the Auditors (acting as expert and not as arbitrator) as the market value of the Offered Shares making no adjustment to reflect any premium or discount arising in relation to the size of the holding the subject of the Sale Notice. In establishing the market value of the Shares the Auditors shall take proper account of all matters which they consider appropriate, including, to the extent that they consider the same to be appropriate, the price at which any Shares in the capital of the Company have been issued or transferred but shall be valued by looking at the market value of the issued Ordinary Shares as a whole and dividing this by the number of Ordinary Shares in issue (assuming that all outstanding options and other rights to acquire Ordinary Shares have been exercised in full).

5.3 Any fees and expenses of the Auditors for the purposes of Article 5.2 shall be borne by the Company and their determination shall be final and binding on all persons concerned and in the absence of fraud, they shall be under no liability to any such person by reason of their determination or certificate or by anything done or omitted to be done by them for the purpose thereof or in connection therewith.

5.4 Immediately following receipt of a Sale Notice or, in circumstances where the Selling Shareholder is required to give a Sale Notice by any of Articles 4.3, 4.4, 4.5, 4.7, 6, 7.1 and 7.2, immediately following the Sale Price being agreed or determined in accordance with Article 5.2 above, the Company shall offer the Offered Shares for sale to the persons (other than the Selling Shareholder) and in the order of priority set out in Article 5.5 by notice in writing stating the number and Sale Price of the Offered Shares and that the offer must be accepted within 15 days from the date of the notice, after which it shall be deemed to have been declined if and to the extent not accepted.

5.5 The Company shall offer the Offered Shares at the Sale Price:

- (a) subject to Article 5.10, in accordance with the following table so that the Offered Shares of a particular class specified in column 1 below shall be offered in the first instance to all the holders of the same class of Shares as the Offered Shares (other than the Selling Shareholder) set out in the corresponding row of column 2 below and, then, to the extent that the Offered Shares are not accepted by such Shareholders, shall be offered to all of the holders of the classes of shares shown in columns 3 and then 4 in that order of priority:

(1) Sale Shares	(2) Offered First to:	(3) Offered Secondly to:	(4) Offered Thirdly to:
A1 Shares	A1 Shares	A2 Shares	B Shares
A2 Shares	A2 Shares	A1 Shares	B Shares
B Shares	B Shares	A1 Shares and A2 Shares	—

- (b) with respect to each offer referred to in paragraph (a) above, the holders of Shares of the relevant class may accept all or any of the Offered Shares but in the event that such Shareholders wish to acquire a greater number of Shares than are comprised in the Offered Shares, the Offered Shares shall be allocated to the Shareholders wishing to acquire any of the Offered Shares pro rata in proportion as nearly as may be to their holdings of Shares of the same class as the Offered Shares immediately prior to the receipt of the Sale Notice by the Directors (provided that no person may be required to take more Offered Shares than he has applied for and once a person has achieved this he shall not participate further in the allocation as between other applicants).
- (c) to the extent the Offered Shares have not been accepted by the end of the 15 day period of the final offer referred to in Article 5.4 above, to such other persons as may be selected by the Directors (in such proportions as the Directors in their absolute discretion may determine).

5.6 Within 7 days of the expiration of the last of the periods referred to in Article 5.5 above, the Directors shall allocate the Offered Shares to the member, members or third party who shall

have expressed his or their willingness to purchase as aforesaid. If a Sale Notice (pursuant to Article 5.1) shall validly contain a Total Transfer Condition then any such offer as aforesaid shall be conditional upon such condition being satisfied and no acceptance of an offer of Offered Shares will become effective and no allocation of Offered Shares shall be made unless such condition is satisfied.

5.7 Upon such allocation being made the Selling Shareholder shall (subject as aforesaid) be bound upon payment of the Sale Price to:

- (a) transfer the Offered Shares so sold to the purchaser or purchasers; and
- (b) warrant that such Shares are being sold with full title guarantee and free from all charges and encumbrances and from all other rights exercisable by or claims by third parties,

and the purchase shall be completed at a place and time to be appointed by the Directors not being less than 3 days nor more than 10 days after the date of the Directors notifying the members of the allocation of the Offered Shares.

5.8 In the event of the Selling Shareholder failing to carry out the sale of any of the Offered Shares after the expiry of the time limit for completion set by the Directors pursuant to Article 5.7 the Directors may authorise a person of their choice to execute a transfer of the Offered Shares to the purchaser(s) and the Company may give a good receipt for the Sale Price of such Offered Shares and may register the purchaser as holder thereof and issue to the purchaser certificates for the same whereupon the purchaser shall become indefeasibly entitled thereto. The Selling Shareholder shall in such case be bound to deliver up his certificate for the Offered Shares or a suitable indemnity and the confirmation described in Article 5.7(b) above to the Company whereupon the Selling Shareholder shall be entitled to receive the Sale Price which shall in the meantime be held by the Company on trust for the Selling Shareholder but without interest. If such certificate shall comprise any Shares which the Selling Shareholder has not become bound to transfer as aforesaid the Company shall issue to the Selling Shareholder a balancing certificate for such Shares.

5.9 If the Directors do not dispose of some or (if a Total Transfer Condition shall apply) all of the Offered Shares comprised in the Sale Notice served pursuant to Article 5.1 within the periods set out in Articles 5.4, 5.5, 5.6 and 5.7 of these Articles, they shall so notify the Selling Shareholder forthwith and during the period of 30 days next following the receipt of such notice the Selling Shareholder may, subject to Articles 4.6 and 8 if applicable, sell all or part of the Offered Shares comprised in such Sale Notice to any persons by way of a bona fide sale at the Sale Price or any higher price PROVIDED THAT:

- (a) if such Sale Notice contained a Total Transfer Condition (as defined in Article 5.1) he shall only be entitled to transfer all of the Offered Shares under this Article;
- (b) the Directors may require such evidence as is reasonably required to satisfy them that the Offered Shares are being transferred under this Article pursuant to a bona fide sale for no less than the consideration stated in such Sale Notice without any deduction, rebate or allowance or indulgence of time whatsoever to the purchaser

and if not so satisfied may refuse to register the instrument of transfer of such Offered Shares.

- 5.10 If the Offered Shares are 'B' Shares and the Remuneration Committee requires by written notice to the Company that all or any of such Offered Shares be kept available either for any individual or individuals who is or are (an) existing director(s) and/or employee(s) of the Company or any subsidiary or any individual (whether or not then ascertained) who it is proposed should be appointed as a director and/or employee of the Company or a subsidiary (a "New Employee") Article 9.14 below shall apply (as if an Employee Priority Notice had been given and references to "Article 9.9" and "Employee Shares" are references to "Article 5.5" and "Offered Shares") in priority to offering the Offered Shares pursuant to Article 5.5

6 Bare Nominees

For the avoidance of doubt and without limitation, no Share (other than any Share so held on the date of adoption of these Articles) shall be held by any member as a bare nominee for, and no interest in any Share shall be sold to, any person unless a transfer of such Share to such person would rank as a Permitted Transfer. If the foregoing provision shall be infringed the holder of such Share shall be bound to give a Sale Notice in respect thereof.

7 Compulsory Transfers - General

- 7.1 A person entitled to a Share in consequence of the bankruptcy of a member shall be bound at any time, if and when required in writing by the Directors so to do, to give a Sale Notice in respect of such Share PROVIDED THAT the foregoing shall not apply if the bankrupt member is an employee, Director or Executive and his bankruptcy would constitute grounds justifying summary dismissal under his contract of employment or grounds for immediate termination of his contract for services or consultancy agreement, as the case may be, when the provisions of Article 9 shall apply.

- 7.2 If a Share remains registered in the name of a deceased member for longer than one year after the date of his death the Directors may require the legal personal representatives of such deceased member either to effect a transfer of such Shares (including for such purpose an election to be registered in respect thereof) being a Permitted Transfer or to show to the satisfaction of the Directors that a Permitted Transfer will be effected prior to or promptly upon the completion of the administration of the estate of the deceased member or (failing compliance with either of the foregoing within one month or such longer period as the Directors may allow for the purpose) to give a Sale Notice in respect of such Share.

- 7.3 If either, a person entitled to a Share in consequence of the bankruptcy of a member as described in Article 7.1 above or the legal personal representatives of a deceased member as described in Article 7.2 above shall fail or refuse to give a Sale Notice within 30 days of the written request of the Directors in accordance with this Article 7 to give such a Sale Notice then the Directors may authorise some person to execute and deliver on his/their behalf the necessary Sale Notice.

8 Change of Control

- 8.1 Notwithstanding any other provision of these Articles, but save for transfers pursuant to Article 4.1.1 (excluding paragraph (a)) and transfers from an Original Shareholder to another

Original Shareholder, no sale or transfer of, or transfer of any interest in any Shares conferring a right to vote at general meetings of the Company to any person whomsoever, which would result, if made and, if appropriate, registered, in a person (together with persons acting in concert therewith) whether or not then a member of the Company obtaining or increasing a Controlling Interest in the Company, shall be made or registered, unless prior to any such transfer being completed a General Offer is made on bona fide arm's length terms by the person or persons proposing to acquire the Controlling Interest (the "Buyer") to all members (other than the Buyer if already a member) to purchase all the Ordinary Shares in issue and all the unissued Ordinary Shares for which any person shall then be entitled to subscribe.

- 8.2 Any General Offer shall attribute an equal value to each Ordinary Share (but subject to payment of any due but unpaid Participating Dividend) being a value not less than the highest value paid or agreed to be paid for an Ordinary Share by the proposed acquirer(s) of the Controlling Interest in the 6 months preceding the date of the General Offer (adjusted as appropriate to take account of any due but unpaid Participating Dividend). Save as set out in the preceding sentences, the A Shares and the B Shares shall rank pari passu in all respects for the purposes of the General Offer and there shall not be any difference in the offer made to the holders of such Shares.

Any General Offer shall be made in writing (stipulated to be open for acceptance for at least 28 days and not more than 45 days) to all shareholders and shall include an undertaking by the Buyer that neither he nor any person acting in concert with him has within the 6 months immediately preceding the making of the General Offer entered into more favorable terms with any member for the purchase of Shares (adjusted as appropriate to take account of any due but unpaid Participating Dividend). Such a General Offer shall be accepted or rejected in writing within the time period stipulated and shall be deemed to have been rejected by a member if he does not respond within such time period. Any transfer pursuant to a General Offer shall not require the proposing transferor to give a Sale Notice.

- 8.3 (a) If as the result of a General Offer the Buyer acquires a Compulsory Purchase Interest, the Company shall forthwith notify all members accordingly and any member who did not accept the General Offer may by written notice to the Company served within 30 days of such notification require the Company as agent for such member to serve a notice (a "Compulsory Purchase Notice") on the Buyer requiring it to buy such member's Shares at the consideration applicable to such General Offer. The Company shall serve the Compulsory Purchase Notice forthwith upon receipt of any such written notice by a member.
- (b) The Buyer shall complete the purchase of all Shares in respect of which a Compulsory Purchase Notice has been given no later than 10 days from the date of the serving of such Compulsory Purchase Notice on it. The consideration shall be payable in full without any set off. Any transfer pursuant to a Compulsory Purchase Notice shall not require the proposing transferor to give a Sale Notice.
- 8.4 (a) If as the result of a General Offer the Buyer acquires a Compulsory Purchase Interest, the Buyer may by written notice to the Company served within 30 days of such acquisition require the Company as agent for the Buyer to serve notices (a "Compulsory Sell Notice") on members who have not accepted such offer (the "Minority Shareholders") requiring them to sell their Shares at the consideration applicable to such General Offer on the date specified in the Compulsory Sell Notice (being no more than 21 days following the date of such notice). The Company shall serve the Compulsory Sell Notices forthwith and for the period of

21 days from the service of the Compulsory Sell Notices the Minority Shareholders shall not be entitled to transfer their Shares to anyone except the Buyer or a person identified by the Buyer.

- (b) The Buyer shall complete the purchase of all Shares in respect of which a Compulsory Sell Notice has been given at the same time on the date specified in the Compulsory Sell Notice. The consideration shall be payable in full without any set off. Any transfer pursuant to a Compulsory Sell Notice shall not require the proposing transferor to give a Sale Notice.
- (c) If in any case a Minority Shareholder shall have not transferred his Shares to the Buyer or a person identified by the Buyer against payment of the price therefor on the date specified in the Compulsory Sell Notice, the Directors may authorize some person to execute and deliver on his behalf any necessary transfer in favour of the Buyer or the person identified by the Buyer and shall receive the consideration in respect of such Shares and shall thereupon (subject to the transfer being duly stamped) cause the name of the Buyer (or the person identified by the Buyer) to be entered into the Register of Members as the holder of the relevant Shares. The Company shall hold the consideration in trust for the Minority Shareholder but shall not be bound to earn or pay interest thereon. The issue of a receipt by the Company for the consideration shall be a good receipt for the price for the relevant Shares but the Buyer shall not be discharged from procuring that the Company applies the money in payment to the Minority Shareholder which shall be made against delivery by the Minority Shareholder of the certificate in respect of the Shares or an indemnity in respect of the same. After the name of the Buyer or the person identified by the Buyer has been entered in the Register of Members in purported exercise of the aforesaid powers the validity of the proceeding shall not be questioned by any person.

9 Pre-emption on Mandatory Transfer: Compulsory Transfers for Management Shareholders

9.1 In the case of a person who is an Executive ceasing to be an Executive at any time then, such Executive shall be deemed on the date of ceasing to be an Executive to give a Mandatory Sale Notice (as defined in this Article) in respect of all of the 'B' Shares held by such Executive (the "Sale Shares") for a price per 'B' Share (the "Prescribed Price") calculated in the manner set out below such Mandatory Sale Notice to be irrevocable (save as provided for in Article 9.15) and to take effect from the earliest of:

- (a) the date falling 3 months after the date on which the Executive ceases to be an Executive if the Remuneration Committee has not exercised its discretion under Article 9.15;
- (b) the date upon which the Remuneration Committee confirms to the Company and the Executive that it does not intend to exercise its discretion under Article 9.15; and
- (c) the date upon which the Remuneration Committee exercises its discretion under Article 9.15 (in which case, the Mandatory Sale Notice shall only apply to those Sale Shares (if any) in respect of which the Mandatory Sale Notice has not been revoked).

- 9.2 If the relevant Executive is not a Good Leaver, then the Prescribed Price shall be the lower of the Subscription Price and fair value (as determined in accordance with this Article 9).
- 9.3 If the relevant Executive is a Good Leaver then the Prescribed Price in respect of the Sale Shares the subject of the Mandatory Sale Notice shall be fair value determined in accordance with this Article 9.
- 9.4 For the purposes of this Article 9 a Good Leaver shall be a person ceasing to be an Executive by means of:
- (a) death;
 - (b) voluntary retirement at any age after sixty (provided that, in the case of an Executive whose service agreement specifies a compulsory retirement date that is later than sixty years of age and who retires prior to that compulsory retirement date, the Executive has given notice in accordance with the provisions of his service agreement);
 - (c) retirement for reasons of material ill-health or incapacity (except where such material ill-health or incapacity arises as a result of abuse of alcohol or drugs);
 - (d) his ceasing to be an Executive in circumstances which the Remuneration Committee agrees shall be treated as a Good Leaver for the purposes of these Articles; or
 - (e) wrongful or unfair dismissal or upon termination of his employment, or his consultancy agreement as the case may be, by the Company or any subsidiary or holding company thereof upon proper notice being given to him or any other termination of employment other than when the Company is entitled to summarily dismiss him or terminate the consultancy agreement without the giving of a period of notice.
- 9.5 The Mandatory Sale Notice served pursuant to Article 9.1 shall:
- (a) state the number of 'B' Shares held by the Transferor (which shall, subject to Article 9.15, be the number of Sale Shares to be offered for sale); and
 - (b) constitute the Company the Transferor's agent for sale of the Sale Shares (and all rights attached thereto) at a price per 'B' Share equal to the appropriate Prescribed Price (determined in accordance with the provisions of this Article 9) for the Offering Period as defined in Article 9.7, to any person selected or approved by the Directors.
- 9.6 If a Transferor shall fail or refuse to serve a Mandatory Sale Notice on the Company the Directors may authorise any officer of the Company to execute and deliver on his behalf a Mandatory Sale Notice. A Mandatory Sale Notice shall not be revocable without the written consent of the Remuneration Committee.
- 9.7 If fair value is agreed as provided in Article 9.8 (a), the Offering Period shall commence on the date on which each Mandatory Sale Notice was given ("the Notice Date") and expire three months thereafter. If fair value is to be determined in accordance with Article 9.8(b), the Offering Period shall commence on the Notice Date and shall expire two months after

the date on which the Auditors shall have notified the Directors of their determination of fair value. Pending such determination the Directors shall defer the making of the offer mentioned in Article 9.9.

9.8 Fair value shall be whichever is applicable of:

- (a) the price per Sale Share agreed not more than one month before the Notice Date between the Transferor and the Remuneration Committee as representing the fair value; or
- (b) if no such agreement has been reached by the Notice Date, the Directors shall refer the matter to the Auditors and the Auditors shall determine and certify the sum per Sale Share considered in their opinion to be the fair value thereof as at the date of the Transferor ceasing to be an Executive, as defined in Article 9.7, by valuing the issued Ordinary Shares as a whole and dividing this by the number of Ordinary Shares in issue, (assuming all outstanding options and other rights to acquire Ordinary Shares have been exercised in full) such valuation to be made on a willing seller and willing buyer basis, disregarding the fact that such holding of 'B' Shares may represent a minority interest but which shall take into account if the Transferor is not a Good Leaver him ceasing to be employed by the Company or any of its subsidiaries and the sum per 'B' Share so determined and certified shall be the fair value. The Auditors shall act hereunder at the cost and expense of the Company as experts and not as arbitrators and their determination shall be final and binding on all persons concerned and, in the absence of fraud, they shall be under no liability to any such person by reason of their determination or certificate or by anything done or omitted to be done by them for the purpose thereof or in connection therewith.

9.9 Subject to Article 9.13 all the Sale Shares included in any Mandatory Sale Notice shall not less than six weeks before the expiry of the Offering Period be offered by the Company to all the holders of 'B' Shares (other than the holder of the Sale Shares) for purchase at the Prescribed Price on the terms that in case of competition the Sale Shares shall be sold to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by him) to their existing holdings of 'B' Shares. Such offer:

- (a) shall stipulate a time not exceeding 28 days but not being less than seven days within which it must be accepted or in default will lapse; and
- (b) may stipulate that any holders of 'B' Shares who desire to purchase a number of Sale Shares in excess of the proportion to which each is entitled shall in their acceptance state how many excess Sale Shares they wish to purchase and any 'B' Shares not accepted by other holders of 'B' Shares shall be used for satisfying the requests for excess Sale Shares pro rata to the existing 'B' Shares respectively held by such holders of 'B' Shares making such requests.

9.10 If the Company shall not within the period ending on the date which is the later of 28 days after the Notice Date and, 28 days after the date of the offer to members pursuant to Article 9.9 ("the Relevant Date") find a holder or holders of 'B' Shares willing to purchase all of the

Sale Shares it may offer such unsold 'B' Shares to such persons as the Remuneration Committee may think fit for purchase at the Prescribed Price.

9.11 If the Company shall within the Offering Period find members or such other persons as aforesaid (each such person being hereinafter called "a Purchaser") to purchase the Sale Shares or any of them and give notice in writing thereof to the Transferor he shall be bound, upon payment to him of the Prescribed Price, to:

- (a) transfer such 'B' Shares to the respective Purchaser(s); and
- (b) warrant that such 'B' Shares are being sold with full title guarantee and free from all charges and encumbrances and from all other rights exercisable by or claims by third parties.

Every notice given by the Company under this Article 9.11 shall state the name and address of each Purchaser and the number of Sale Shares agreed to be purchased by him and the purchase shall be completed at a place and time to be appointed by the Remuneration Committee not being less than three days nor more than ten days after the date of the notice.

9.12 If a Transferor shall fail or refuse to transfer any Sale Shares to a Purchaser(s) hereunder the Remuneration Committee may authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the Transferor and cause the Purchaser(s) to be registered as the holder of such 'B' Shares. The receipt of the Company for the purchase money shall constitute a good discharge to the Purchaser(s) (who shall not be bound to see to the application thereof) and after the Purchaser(s) has been registered whereupon the Purchaser(s) shall be indefeasibly entitled thereto. The Company shall not pay the purchase money to the Transferor until he shall have delivered his share certificate(s) or a suitable indemnity and the necessary transfers and confirmation described in Article 9.11(b) above to the Company.

9.13 If a Mandatory Sale Notice is required to be given pursuant to this Article 9, then:

- (a) the Company shall forthwith give written notice of such occurrence (such notice to include details of all the 'B' Shares to which such Mandatory Sale Notice relates) to the Remuneration Committee. If within 14 days of the giving of such notice by the Company, the Remuneration Committee requires by written notice to the Company (an "Employee Priority Notice") that all or any 'B' Shares to which such Mandatory Sale Notice relates should be made or kept available either for any individual or individuals who is or are (an) existing director(s) and/or employee(s) of the Company or any subsidiary or an individual (whether or not then ascertained) who it is proposed should be appointed as a director and/or employee of the Company or a subsidiary whether or not in place of the individual by whom the relevant Mandatory Sale Notice was given ("a New Employee"), then the provisions of Article 9.14 below shall apply in priority to the procedure set out in Article 9.9; and
- (b) whether or not an Employee Priority Notice is given pursuant to paragraph (a) above, the Remuneration Committee may require the provisions of Article 9.14 to be applied in priority to offering them to holders of 'B' Shares in accordance with the procedure more particularly defined in the procedure set out in Article 9.9.

- 9.14 If an Employee Priority Notice is given or if the Remuneration Committee so require pursuant to Article 9.13(b), then, in relation to the 'B' Shares the subject thereof ("the Employee Shares") the provisions of Article 9.9 shall be modified hereby and the Employee Shares shall either;
- (a) be offered to the individual(s) (and, in the case of more than one, in the proportions) determined by the Remuneration Committee (conditional, in the case of any prospective director and/or employee upon his taking up his proposed appointment with the Company or a subsidiary (if not then taken up)); or
 - (b) be offered to persons ("Trustee(s)") determined by the Remuneration Committee upon trust for a New Employee as and when appointed PROVIDED THAT:
 - (i) no Trustee shall transfer any Employee Share to any person other than a New Employee; and
 - (ii) to the extent that any Trustee holds Employee Shares at the time of a Listing or the acquisition of a Compulsory Purchase Interest, it shall be made a condition of such Listing or acquisition that the Trustee give to the Company a Sale Notice in respect of such Employee Shares stating the Prescribed Price at which such Employee Shares were originally transferred to the Trustee pursuant to this article. Such notice shall constitute the Company the agent of the Trustee for the sale of such Employee Shares, which shall as soon as possible thereafter and against payment to the Trustees of the Prescribed Price be transferred to each of the other holders of 'B' Shares at such time in proportion to their holdings of 'B' Shares.
- 9.15 The Remuneration Committee may by written notice served on the Company and the relevant Executive at any time within three months of the Executive ceasing to be an Executive specify that the Mandatory Sale Notice is revoked in whole or in part and the operation of Article 9 shall thereupon cease (if the revocation is of the whole of the Mandatory Sale Notice) or apply only to the Sale Shares which remain subject to the Mandatory Sale Notice (if the revocation is in part only).
- 9.16 The provisions of this Article 9 shall apply to all persons who are, in relation to the relevant Executive, Relevant Members as if the references herein to "Executive" were references to the appropriate Relevant Member.
- 9.17 For the purposes of this Article 9, an Executive shall cease to be an Executive if he dies or ceases to be an employee, consultant to or director of the Company or any Member of the same Group (whether or not his contract of employment or consultancy is validly terminated and/or whether or not the relevant employer commits a repudiatory breach of the relevant contract or wrongfully or unfairly dismisses the relevant employee, consultant or director), and does not continue (or is not immediately re-employed or re-engaged) as employee, consultant to or director of the Company or any other Member of the same Group. The date on which an Executive shall be deemed to cease being an Executive shall be the date on which the contract of employment or consultancy or appointment as director ceases or, if earlier, the date notice of termination of his employment, consultancy and/or office is given or received by the Executive (whether or not such notice is valid).

10 Information concerning shareholdings and transfers

- 10.1 For the purpose of ensuring that a transfer of Shares is a Permitted Transfer or that no circumstances have arisen whereby a Sale Notice is or may be required to be given hereunder or to be satisfied that any proposed sale is bona fide and on the terms stated in the Sale Notice with no rebate or allowance, the Directors may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors reasonably require regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Directors within a reasonable time after such requirement being made, the Directors shall be entitled to refuse to register the transfer in question or (if no transfer is in question) to require by notice in writing that a Sale Notice be given in accordance with Article 5 in respect of the Shares concerned.
- 10.2 In a case where the Directors have required a Sale Notice to be given in accordance with Article 10.1 in respect of any Shares and such Sale Notice is not duly given within a period of one month, or such longer period as the Directors may allow for the purpose, such Sale Notice shall (except and to the extent that a Permitted Transfer of any of such Shares shall have been made) be deemed to have been given on such date after the expiration of the said period as the Directors may by resolution determine and the foregoing provisions of these Articles shall take effect accordingly.
- 10.3 From (and including) the date on which the Directors have duly required a Sale Notice(s) in accordance with Article 10.1, all holders of Shares the subject of such Sale Notice(s) shall not transfer or encumber any of their Shares or any interest in their Shares (other than pursuant to such Sale Notice(s)) until all proceedings pursuant to such Sale Notice(s) have been finalised in accordance with these Articles.

11 Proceedings at General Meetings

- 11.1 A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly.
- 11.2 A resolution in writing executed or approved by facsimile, telegram or e-mail by or on behalf of the holders of all the issued Ordinary Share Capital shall be as valid and effectual as if the same had been duly passed at a general meeting and may consist of several documents in the like form, each executed by or on behalf of one or more persons. In the case of a corporation, the resolution may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative. Regulation 53 shall be modified accordingly.

12 Alternate Directors

- 12.1 Any Director (other than an alternate Director) may at any time by writing under his hand and served on the Company at its registered office, or delivered at a meeting of the Directors, appoint any other Director, or any other person willing to act, to be an alternate Director and may remove from office an alternate Director so appointed by him. The same person may be appointed as the alternate Director of more than one Director. Except in the case of an alternate Director appointed by the A1 Director and/or the A2 Director, a person who is not

already a Director may only be appointed as an alternate if such appointment is approved by resolution of the Directors.

12.2 An alternate Director shall be entitled:

- (a) to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member, save that it shall not be necessary to give notice of such meeting to an alternate Director who is absent from the United Kingdom;
- (b) to attend, be counted in the quorum for and vote at any such meeting at which the Director appointing him is not personally present; and
- (c) generally at such meeting to perform all the functions of his appointor as a Director in his absence.

If an alternate Director is himself a Director or attends any such meeting as an alternate Director for more than one Director, then his voting rights shall be cumulative.

12.3 An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director; but, if a Director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his reappointment.

12.4 Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.

12.5 An alternate Director shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him, except in relation to matters in which he acted (or failed to act) on the direction or at the request of his appointor.

12.6 Save as otherwise provided in these Articles, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles. However, such an alternate Director shall owe the Company the same fiduciary duties and duty of care and skill in the performance of his office as are owed by a Director.

12.7 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

12.8 Regulations 65 to 69 shall not apply.

13 Directors

13.1 The Directors shall not be subject to retirement by rotation. Regulations 73 to 75 and the last two sentences of Regulation 79 shall not apply and Regulations 76, 77, 78 and 80 shall be modified accordingly.

- 13.2 Without prejudice to the first sentence of Regulation 89, a meeting of the Directors or of a committee of the Directors may consist of a conference between directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously; and the word "meeting" in these Articles shall be construed 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 is.
- 13.3 A resolution in writing signed or approved by facsimile, telegram or e-mail by all the directors shall be as valid and effectual as if it had been passed at a meeting of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but 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. Regulation 93 shall not apply.
- 13.4 A Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company. Regulation 94 shall be modified accordingly, provided that he has disclosed to the Directors the nature and extent of any material interest or duty.
- 13.5 In the case of an equality of votes at a meeting of the Directors, the chairman of the Company shall not have a second or casting vote. Regulation 88 shall be modified accordingly.
- 13.6 The office of a Director shall be vacated if he shall be removed from office by notice in writing served upon him signed by a majority of his Co-Directors but so that if he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of contract of service or otherwise between him and the Company.
- 14 **Notices**
- Notices shall be given to a member whose registered address is outside the United Kingdom. Regulation 102 shall be modified accordingly.
- 15 **Indemnity**
- 15.1 Without prejudice to any indemnity to which such officer may otherwise be entitled, every Director, Auditor, Secretary or other officer of the Company shall be indemnified by the Company against all costs, charges, losses, expenses, and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court. Regulation 118 shall not apply.

15.2 The Company may purchase and maintain for any Director, Secretary or other officer of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

16 **Relationship to Bank Documents**

16.1 The provisions of Article 2 relating to the payment of dividends and redemption or purchase by the Company of its Shares shall be subject to the following provisions of this Article 16.

16.2 Notwithstanding any other provisions of these Articles no payment shall be declared or made by the Company by way of dividend or other distribution, purchase, redemption, reduction or return of shares or capital or by addition to or repayment of any dividend reserve if and to the extent that such payment is prohibited or restricted by the terms of the Bank Documents. No dividends or other distributions payable in respect of Shares, whether pursuant to the provisions of these Articles or otherwise, shall constitute a debt enforceable against the Company unless and until permitted to be paid in accordance with the Bank Documents.

16.3 Where any dividend or redemption payment is not made because of the provisions of Article 16.2 such dividend shall be paid or redemption payment made upon the necessary consent being obtained or the prohibition thereon ceasing to apply.