

Japaninvest

Japaninvest (Holdings) Limited
68 St. James's Street, London, SW1A 1PH
Registered in England & Wales no. 4547135

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To whom it may concern,

Japaninvest (Holdings) Limited passed the following Special Resolution at an EGM dated 23 December 2005:

SPECIAL BUSINESS - Resolution 2

That Articles 8 & 12 of Japaninvest's Articles of Association be replaced in their entirety with the following:

8 Directors

8.1 Number of Directors

The number of Directors shall not be fewer than two executive Directors and two non-executive Directors ("Independent Directors") but shall not be subject to any maximum. Regulation 64 shall be modified accordingly.

8.2 No Age Limit for Directors

Any adult person may be appointed or elected as a Director whatever may be his age, and no Director shall be required to vacate his office by reason of his attaining or having attained the age of seventy years or any other age.

8.3 Executive Committee

The Board shall delegate responsibility for day-to-day running of the business to the Executive Committee. At least a majority of executive Directors shall serve as members of the Executive Committee plus senior management appointed by the Board as appropriate. The Board shall not delegate, inter alia:

- a) any matters that must by law or by the rules of any relevant regulatory bodies be decided upon by the Board
- b) the approval of major changes of business strategy
- c) the approval of any corporate acquisitions or disposals greater than both 10% of the shareholders funds of the Company and 5% of the market capitalization of the Company if listed
- d) the approval of equity or debt capital raisings or variations
- e) the approval of quarterly accounts, budgets and forecasts

8.4 Nomination Committee

The company shall at all times have a Nomination Committee which has the responsibility for leading the process for board appointments (including appointment to the Nomination, remuneration and Audit Committees) and making recommendations to the board accordingly.



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A majority of the members of the Nomination Committee, of which there shall be a minimum of two, shall be Independent Directors. One of the Independent Directors or the Chairman of the Board shall chair the Nomination Committee. The chairman of the Nomination Committee shall not lead the search for his successor. The Nomination Committee shall make recommendations to the Board regarding board appointments and shall have the power to veto any appointment to the Board.

8.5 Remuneration Committee

The company shall at all times have a Remuneration Committee which has responsibility for determining the remuneration for all executive Directors and the Chairman on behalf of the whole board. The Remuneration Committee shall also recommend and monitor the level and structure of remuneration for senior management. All the members of the Nomination Committee, of which there shall be a minimum of two, shall be Independent Directors. The Board shall determine the Independent Directors' remuneration. Regulation 82 shall be amended accordingly.

8.6 Audit Committee

The company shall at all times have an Audit Committee which has the responsibility for ensuring the interests of shareholders are properly protected in relation to financial reporting and internal control. All the members of the Audit Committee, of which there shall be a minimum of two, shall be Independent Directors. The chairman of the Audit Committee shall have recent and relevant financial experience. The core functions of the Audit Committee are to oversee, assess and review of the functions carried out by management and the internal and external auditors. The audit committee's main responsibilities are:

- a) To monitor the integrity of the financial statements and any formal announcements on the Company's financial performance.
- b) To review the Company's internal financial controls and its internal control and risk management systems.
- c) To monitor/review the effectiveness of the internal audit function.
- d) To make recommendations to the board on the appointment/removal of the external auditors and to approve their terms of engagement and remuneration. If the board does not accept the audit committee's recommendation, the committee should explain its recommendation in the annual report and the board should set out its reasons for taking a different position.
- e) To monitor/review the external auditor's independence/objectivity and the effectiveness of the audit process. If non-audit services are provided then the annual report should explain how objectivity and independence are safeguarded.
- f) To review arrangements by which Company employees can raise concerns about possible improprieties ('whistleblowing') in order to ensure arrangements are in place for their proportionate/independent investigation and for follow-up action.

Any disagreements between the Audit Committee and the rest of the Board should be resolved by the Board. Where an issue cannot be resolved, the Audit Committee shall have the right to include it in its report within the annual report.

8.7 Frequency of Board and Committee meetings

The Board and its Committees shall, except in circumstances as approved by the Audit Committee, meet as follows:

The Board	at least six times a year
The Executive Committee	monthly
The Nomination Committee	at least two times a year
The Remuneration Committee	at least two times a year
The Audit Committee	at least four times a year

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8.8 Disqualification and Removal of Directors

The office of Director shall be vacated:

- a) if any of the events specified in regulation 81 occur;
- b) if he shall in writing offer to resign and the Directors shall resolve to accept such offer;
- c) if he becomes incapable by reason of illness or injury of managing and administering his property and affairs; or
- d) if he shall be removed from office by notice in writing signed either by all his co-Directors (being at least two in number) or by a member or members holding 75 per cent. or more of the voting rights in the Company, but so that if the Director holds an appointment to an executive office which thereby automatically determines such removal it shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

8.9 Directors' Interests

On any matter in which a Director is in any way interested he may nevertheless vote and be taken into account for the purposes of a quorum and (save as otherwise agreed) may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof. Regulations 94 to 98 shall not apply.

8.10 Conference Telephone Meetings

Any Director may participate in a meeting of Directors or of a committee of the Directors by means of a conference telephone or similar communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person at such meeting for all purposes including that of establishing a quorum. A meeting held by such means shall be deemed to take place where the largest group of participators in number is assembled. In the absence of such a majority the location of the chairman shall be deemed to be the place of the meeting.

8.11 Written and e-mail resolutions

A resolution executed by all the Directors, or by all the members of a committee constituted under these Articles, shall be as valid and effectual as if it had been passed at a meeting of the Directors, or (as the case may be) at a meeting of the committee, which in every case was duly convened and held. For the purpose of this Article:

- a) a resolution shall consist of one or more written instruments (including faxes) or one or more electronic communications sent to an address specified for the purpose by the Secretary, or a combination of them, provided that each such written instrument and electronic communication (if more than one) is to the same effect;
- b) a written instrument is executed when the person executing it signs it;
- c) an *electronic communication* is executed when the person executing it sends it provided that it has been authenticated in such manner (if any) as the Secretary shall prescribe;
- d) the Directors, or (as the case may be) members of a committee constituted under these Articles, need not execute the same written instrument or electronic communication; and
- e) a resolution shall be effective when the Secretary certifies that sufficient evidence has been received by him that the resolution has been executed in accordance with this Article.

12 Indemnity

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12.1 Indemnity

Without prejudice to any indemnity to which any person referred to in this Article 12 may otherwise be entitled, every present and former Director, Alternate Director, Secretary or other officer of the Company (excluding any present or former Auditors) (an "Indemnified Person") shall be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him in the execution and discharge of his duties to the Company and any Associated Company of the Company (as defined by the Act for these purposes), including any liability incurred by any Indemnified Person in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to be done or omitted by him as an officer or employee of the Company or an Associated Company provided that such indemnity shall not extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person (or the obtaining of any personal profit or advantage to which the relevant Indemnified Person was not entitled) and no Indemnified Person shall be entitled to be indemnified for:

- (a) any liability incurred by him to the Company or any Associated Company of the Company (as defined by the Act for these purposes);
- (b) any fine imposed in any criminal proceedings;
- (c) any sum payable to a regulatory authority by way of a penalty in respect of non compliance with any requirement of a regulatory nature howsoever arising;
- (d) any amount for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final;
- (e) any amount for which he has become liable in defending any civil proceedings brought by the Company or any Associated Company in which a final judgment has been given against him; and
- (f) any amount for which he has become liable in connection with any application under sections 144(3) or (4) or 727 of the Act in which the court refuses to grant him relief and such refusal has become final.

12.2 Defense funding

Every Indemnified Person shall be provided with funds by the Company (directly or indirectly) to meet expenditure incurred or to be incurred by him in any proceedings (whether civil or criminal) brought by any party 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 or any associated company, provided that he will be obliged to repay such amount no later than:

- a) in the event that he is convicted in proceedings, the date when the conviction becomes final;
- b) in the event of judgment being given against him in proceedings, the date when the judgment becomes final (except that such amount need not be repaid to the extent that the expenditure is recoverable under a valid indemnity given to him by the Company); or
- c) in the event that the court refuses to grant him relief on any application under sections 144(3) or (4) or 727 of the Act the date when the refusal becomes final.

12.3 Liability Insurance

The Company shall have power to purchase and maintain for any Indemnified Person and for any director, secretary or other officer or employee of an Associated Company insurance against any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company or otherwise in connection with his duties, powers or office.

END

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Please also see attached the New Articles of the Company:

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rupert Eastwood', with a stylized, cursive script.

Rupert Eastwood

Director
rupert.eastwood@japaninvest.com

The Companies Acts 1985 - 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

Japaninvest (Holdings) Limited
(the "Company")

1. **Preliminary**

1.1 **Table A**

- (A) The regulations contained or incorporated in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended as at the date of adoption of these Articles ("Table A") shall, except where the same are excluded or varied by or are inconsistent with these Articles, apply to the Company.
- (B) No other regulations set out in any statute or statutory instrument concerning companies shall apply as regulations of the Company.

2. **Interpretation**

2.1 **Definitions**

In these Articles unless the context otherwise requires:

"these Articles" means these articles of association in their present form or as amended from time to time and the expressions "this Article" and "Article" shall be construed accordingly.

"Board" means the board of directors of the Company from time to time or any duly authorised committee thereof.

"Companies Acts" means every statute concerning companies and all orders, regulations and other subordinate legislation made under each of them from time to time in force insofar as the same applies to the Company (whether or not called a Companies Act or within the statutory citation of such Act).

"Controlling Interest" means a shareholding of over 50.1 per cent. of the issued share capital of a company, or over 50.1 per cent. of the voting rights in a company by any person or persons acting in concert.

"Directors" means the directors of the Company from time to time.

"Family Member" means any spouse, common law partner or lineal descendent (including a step-child) of that individual.

"Family Trust" any trust or settlement set up (whether pursuant to a testamentary disposition, variation thereof, intestacy or inter vivos) by that individual, the only beneficiaries of which are the individual and/or such Family Members (although one or more charities may also be named as minor beneficiaries of that trust).

"Group" means the Company and all other companies which are subsidiaries or subsidiary undertakings of the Company and the expression "Group Company" shall be construed accordingly.

"Market Value" shall have the meaning given to such term in Article 6.3(L).

"Permitted Transfer" shall have the meaning given to such term in Article 6.2(A).

"Permitted Transferee" shall have the meaning given to such term in Article 6.2(A).

"Sale Price" shall have the meaning given to such term in Article 6.3(J).

"Sale Shares" shall have the meaning given to such term in Article 6.3(A).

"Shares" means shares in the share capital of the Company in issue from time to time.

"Shareholder" means any registered holder from time to time of Shares.

"Transfer Notice" shall have the meaning given to such term in Article 6.3(A) save that, where the context admits, such term shall also include a Transfer Notice deemed to have been served pursuant to any other regulation of these Articles.

"Transferor" shall have the meaning given to such term in Article 6.3(A).

"Trust Transfer" shall have the meaning given to such term in Article 6.2(B)(3).

2.2 Construction

- (A) Any words or expressions defined in the Companies Acts shall bear the same meaning in these Articles.
- (B) References to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification).

- (C) The headings, sub-headings and any contents pages are inserted for convenience only and shall not affect the construction of these Articles.
- (D) References to the singular include the plural and vice versa and references to the masculine, the feminine and the neutral include each other such gender.
- (E) References to a "person" include any individual, company, body corporate, corporation sole or aggregate, government, state or agency of a state, firm, partnership, joint venture, association, organisation or trust (in each case whether or not having separate legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists) and a reference to any of them shall include a reference to the others.
- (F) Where for any purpose an ordinary resolution of the Company is required, a special or extraordinary resolution shall also be effective, and where an extraordinary resolution is required a special resolution shall also be effective.

3. **Share Capital**

3.1 **Authorised share capital**

The share capital of the Company is £10,000 divided into 100,000 ordinary shares of 10 pence each.

3.2 **Allotment of Shares**

- (A) The Directors are authorised for the purposes of section 80 of the Companies Act 1985 to allot, grant options over or otherwise deal with or dispose of any unissued shares of the Company to such persons on such terms and in such manner as the *Directors think proper up to a total issued share capital of the Company of £2,000* at any time during the period of five years from the date of incorporation of the Company (but the Directors are authorised to allot securities after the expiry of the 5 years if they are allotted in pursuance of an offer or agreement made by the Company before the expiry of the 5 years).
- (B) The general authority conferred on the Directors by the preceding Article may be revoked, varied, renewed or further renewed (such renewal not to exceed a period exceeding 5 years) by an ordinary or other resolution of the Company in general meeting.
- (C) By virtue of section 91(1) of the Companies Act 1985, sections 89(1) and 90(1) to (6) of that Act shall not apply to any allotment of Shares pursuant to the authority conferred by this Article 3.2.
- (D) All shares in the Company which are for the time being unissued and which the Directors propose to issue shall, before they are issued, first be offered to the Shareholders (unless all such Shareholders shall waive such offer in writing prior to such offer being made) in proportion, as nearly as the circumstances admit, to the numbers of existing Shares held by them (of whatever class). Such offer shall be made by notice specifying the number of shares offered and specifying a time (not being less than 14 days from the making of the offer) within which the offer, if not accepted, shall be deemed to have been declined (the "Primary Offer"). Each offer shall include an invitation in favour of those who accept all the shares offered to them to apply on the same terms and within the same time for any additional

shares which will be available if any Shareholders do not accept all the shares offered to them under the Primary Offer ("Additional Shares"). After the close of such offer the Directors shall allocate the shares applied for amongst the Shareholders on the basis that those who have applied for no more than the shares offered to them under the Primary Offer shall receive all the shares applied for by them, and the Additional Shares shall be allocated on the basis that, should there be more shares applied for than are available, they shall be allocated to the Shareholders applying for them in the same proportions as their holdings of Shares (of whatever class) bear to one another, but so that no Shareholder shall be obliged to subscribe for more shares than the number he applied for. Upon being notified of such allocation, the Shareholders applying for the shares allocated to them shall be bound to subscribe for the same in accordance with the terms of the offer. Any shares deemed to be declined pursuant to the offer, or for which Shareholders allocated them fail to subscribe, and any fractions of a share that are incapable of being allocated under the offer, shall be under the control of the Directors as set out in Article 3.2, provided that in the case of shares declined as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms upon which they were offered to the Shareholders.

- (E) The rights conferred upon the holders of any Shares in the Company shall not, unless otherwise expressly provided in the rights attaching to, or the terms of issue of, such shares, be deemed to be altered by the creation or issue of further shares in the Company ranking *pari passu* therewith.

4. **Lien**

The lien conferred by regulation 8 shall apply to all shares of the Company whether fully paid or not and to all shares registered in the name of any persons indebted or under liability to the Company whether he be the sole registered holder thereof or one of several joint holders.

5. **Calls**

The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

6. **Transfer of Shares**

6.1 **Transfer Provisions**

Subject to and save for transfers pursuant to Articles 6.2 and 6.3, no transfers of any Shares shall be made or registered without the prior unanimous written consent of all the Shareholders of the Company.

6.2 **Permitted Transfers**

- (A) A Shareholder may at any time transfer (a "Permitted Transfer") any Share to the persons specified in Articles 6.2(B), 6.2(E), 6.2(F), 6.2(E) and 6.2(F) (a "Permitted Transferee") provided such Shareholder shall, before doing so or agreeing to do so, deliver to the Company evidence that such proposed transferee is a Permitted Transferee.
- (B) in the case of any Shareholder who is an individual:-

shares which will be available if any Shareholders do not accept all the shares offered to them under the Primary Offer ("Additional Shares"). After the close of such offer the Directors shall allocate the shares applied for amongst the Shareholders on the basis that those who have applied for no more than the shares offered to them under the Primary Offer shall receive all the shares applied for by them, and the Additional Shares shall be allocated on the basis that, should there be more shares applied for than are available, they shall be allocated to the Shareholders applying for them in the same proportions as their holdings of Shares (of whatever class) bear to one another, but so that no Shareholder shall be obliged to subscribe for more shares than the number he applied for. Upon being notified of such allocation, the Shareholders applying for the shares allocated to them shall be bound to subscribe for the same in accordance with the terms of the offer. Any shares deemed to be declined pursuant to the offer, or for which Shareholders allocated them fail to subscribe, and any fractions of a share that are incapable of being allocated under the offer, shall be under the control of the Directors as set out in Article 3.2, provided that in the case of shares declined as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms upon which they were offered to the Shareholders.

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- (B) in the case of any Shareholder who is an individual:-

- (1) to any Family Member of such Shareholder;
 - (2) to the trustees of any Family Trust set up by such Shareholder;
 - (3) by the trustees of any Family Trust to any new or additional trustee thereof (a "Trust Transfer"); or
 - (4) by the trustees of any Family Trust to any beneficiary who is or shall become entitled to any such Share or interest thereunder provided that such beneficiary is or was a Family Member of a Shareholder or a deceased Shareholder respectively.
- (C) Any Shareholder who is a trustee of an employee trust pursuant to an employee share scheme of the Company may at any time transfer any Share to:-
- (1) the new or remaining trustees of the employee trust upon any change of trustees; and
 - (2) any beneficiary of the employee trust.
- (D) Any Shareholder which is a body corporate may at any time transfer any Share to another member of that group, being a subsidiary undertaking or parent undertaking of that body corporate and any other subsidiary undertaking of any such parent undertaking, or to an individual holding the entire issued share capital of that body corporate.
- (E) Any Shareholder holding Shares as a result of a transfer made after the date of the adoption of these Articles by a person in relation to whom any such Shareholder was a Permitted Transferee under the provisions of this Article may at any time transfer any Share to the person who originally transferred such Shares (or to any other Permitted Transferee) of such original transferor.
- (F) Any Shareholder may transfer any Shares with the prior written consent of all the Shareholders or pursuant to the provisions of any shareholders agreement relating to the Company from time to time.

6.3 Pre-Emption Rights

(A) Transfer Notice

- (1) Save in relation to any transfer permitted pursuant to Article 6.3, any Shareholder (a "Transferor") wishing to dispose of any of his Shares or any beneficial interest therein ("Sale Shares") shall give notice in writing (a "Transfer Notice") to the Company that he wishes to dispose of one or more of his Sale Shares. If the capital of the Company is divided into separate classes of shares a separate Transfer Notice shall be given for each class of Sale Shares proposed to be sold. Every Transfer Notice shall:
 - (a) constitute the Company as the agent of the Transferor for the sale of the Sale Shares in accordance with this Article 6.3;
 - (b) specify the number and class of Sale Shares;

- (c) if the Transferor shall have reached an agreement or an arrangement with an independent third party for the sale of the Sale Shares, state the name of such independent third party and the price per share at which Sale Shares are proposed to be sold to such independent third party;
- (d) be accompanied by the certificates for the Sale Shares (or such indemnity in lieu thereof as the Company may reasonably require); and
- (e) not be revocable except with the consent of the Directors.

(B) Shares Transferred

For the purposes of this Article 6.3 the words "Sale Shares" shall include Shares comprised in a Transfer Notice served or deemed to have been served pursuant to these Articles and the word "Transferor" shall include any person who is required or deemed to give a Transfer Notice pursuant to such provisions.

(C) Deemed Transfers

- (1) A Transfer Notice shall be deemed to have been served by any Transferor who purports to transfer Sale Shares other than pursuant to 6.2 or in accordance with this Article 6.3 without serving a Transfer Notice and, in those circumstances, the Transfer Notice shall:
 - (a) constitute the Company the agent of the Transferor, in accordance with Article 6.3(A);
 - (b) be deemed to apply to the number and class of Sale Shares purported to have been transferred;
 - (c) entitle the Company to require the details referred to in Article 6.3(A)(2) and 6.3(A)(3); and
 - (d) entitle the Company to require delivery to it of the certificate for the Sale Shares (or such indemnity as the Company may reasonably require).
- (2) In the event of the bankruptcy or insolvency of any Shareholder, a Transfer Notice shall be deemed to have been served by that Shareholder in respect of all of the Shares held by him at that date and, in those circumstances, such Transfer Notice shall:
 - (a) constitute the Company as the agent of the relevant Shareholder in accordance with Article 6.3(A); and
 - (b) entitle the Company to require delivery to it of the certificate for the Shares (or such indemnity as the Company may reasonably require).
- (3) If any Shares are deemed to be the subject of a Transfer Notice in accordance with Article 6.3(C)(2), the sale price per Sale Share shall be either:

- (a) such price as may be agreed between the Directors and the relevant Shareholder's trustee in bankruptcy, liquidator, receiver, or administrator, as the case may be, within 14 days of the Transfer Notice; or
- (b) in the absence of agreement, the Market Value (as defined in Article 6.3(L) below) for such Sale Shares.

(D) Transferor Excluded

For the purposes of determining the Shareholders to whom Sale Shares comprised in a Transfer Notice should be offered, the Transferor in respect of the relevant Transfer Notice(s) shall be deemed not to be a member of the Company.

(E) Pre-emption Rounds

Subject to the Sale Price being agreed or determined (as the case may be) in accordance with Article 6.3(J), the Company shall, as soon as reasonably practicable, give notice in writing to each of the Shareholders informing them that the Sale Shares are available for transfer and of the Sale Price and shall invite each Shareholder to state in writing within 30 days from the date of the said notice (which date shall be specified therein) whether he is willing to purchase any and, if so, how many of the Sale Shares.

(F) Proportionate Entitlements

The Sale Shares shall be offered to each Shareholder on terms that, in the event of competition, the Sale Shares offered shall be sold to the Shareholder accepting the offer in proportion (as nearly as may be) to their existing holdings of Shares of the class to which the offer is made (their "Proportionate Entitlement"). Each member may specify whether he is willing to purchase Sale Shares in excess of his Proportionate Entitlement ("Excess Shares") and if he does so he shall state the number of Excess Shares. After the expiry of the offers made pursuant to Article 6.3(E) or sooner if all the Sale Shares offered shall have been accepted, the Board shall allocate the Sale Shares within 7 days in the following manner:

- (1) if the total number of Shares applied for is equal to or less than the available number of Sale Shares, the Company shall allocate the Sale Shares applied for in accordance with the applications received; or
- (2) if the total number of Shares applied for is more than the available number of Sale Shares, each member shall be allocated his Proportionate Entitlement or such lesser number of Sale Shares for which he may have applied and applications for Excess Shares shall be allocated in accordance with the applications received or, in the event of competition, as nearly as may be to each Shareholder who has applied for Excess Shares in the proportion which Shares of the relevant class held by such Shareholder bears to the total number of shares of that class held by all such Shareholders applying for Excess Shares PROVIDED ALWAYS THAT no Shareholder shall be allocated more Shares than he shall have stated himself willing to take;
- (3) and in either case the Company shall forthwith give notice of each such allocation (an "Allocation Notice") to the Transferor and each of the persons to whom Sale Shares have been allocated (an "Applicant") and shall specify

in the Allocation Notice the place and time (being not later than 14 days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.

(G) Allocations

Upon such allocations being made as aforesaid, the Transferor shall be bound, on payment of the Sale Price, to transfer the Sale Shares comprised in the Allocation Notice to the Applicant(s) named therein at the time and place specified therein. If the Transferor defaults in so doing, one of the other Directors or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Transferor with full power to execute, complete and deliver in the name and on behalf of the Transferor a transfer or transfers of the relevant Sale Shares to the Applicant(s) and any Director may receive and give a good discharge for the purchase money on behalf of the Transferor and (subject to the transfer(s) being duly stamped) enter the name of the Applicant(s) in the register of Shareholders as the holder(s) of the Shares so purchased. The Company shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (without interest) for the Transferor until the Transferor shall deliver up to the Company his certificate(s) (or such indemnity in lieu thereof as the Company may reasonably require) for the relevant shares when the Transferor shall thereupon be paid the purchase money.

(H) Purchase by the Company

If the Company shall not find a transferee for any or all of the Sale Shares in accordance with the foregoing provisions of this Article 6.3, the Company may, subject to the provisions of the Companies Acts, exercise its power to purchase any of the Sale Shares comprised in the Transfer Notice for which a transferee has not been found.

(I) Exhaustion of Pre-emption Provisions

In the event of all the Sale Shares not being sold or purchased by the Company under the foregoing provisions of this Article 6.3, the Transferor may at any time within 3 calendar months after receiving notice from the Company that the pre-emption provisions herein contained have been exhausted transfer any Sale Shares not sold to any person or persons at any price not less than the Sale Price PROVIDED ALWAYS THAT:

- (1) the Board shall be entitled to refuse registration of the proposed transferee if the proposed transferee is or is believed to be a person or a nominee for a *person reasonably considered by the Board to be a competitor (or connected with a competitor)* of the business of the Company PROVIDED ALWAYS THAT the Board shall not be so entitled to refuse registration if the effect of such transfer would, when completed, constitute sale of a Controlling Interest and the provisions of Article 6.3(M) have been complied with; and
- (2) any such sale shall be a bona fide sale and the Board may require to be satisfied in such manner as it may reasonably require that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Sale Price without any deduction, rebate or allowance whatsoever to the

purchaser and, if not so satisfied, may refuse to register the instrument of transfer.

(J) Sale Price for Transfers

The sale price per Sale Share (the "Sale Price") the subject of a Transfer Notice shall be either:

- (1) if there is an independent third party as is referred to in Article 6.3(A)(3) and such independent third party is acting in good faith and has agreed a price per share to be paid for the Sale Shares, the price per Share agreed to be paid by such independent third party or, if the foregoing does not apply, the price thereof agreed between the Transferor and the Directors within 14 days of the date of service of the Transfer Notice; or, in the absence of agreement
- (2) the Market Value.

(K) Verification

For the purpose of ensuring that a transfer of Shares is duly authorised hereunder and that no circumstances have arisen whereby a Transfer Notice is required to be served hereunder, the Directors may from time to time require any Shareholder or past Shareholder or the personal representatives or trustee in bankruptcy, receiver or liquidator of any Shareholder or any person named as transferee in any instrument of transfer lodged for registration to furnish to the Company such information and evidence as the Directors may reasonably think fit regarding any matter which they may deem relevant for the purpose of this Article 6.3(K). Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within a reasonable time after request, the Directors shall be entitled to refuse to register the transfer in question or, if no transfer is in question, to declare by notice in writing that a Transfer Notice shall have been deemed to have been served in respect of the Shares concerned. If such information or evidence discloses that, in the reasonable opinion of the Directors, a Transfer Notice ought to have been served in respect of any Shares the Directors may also by notice in writing declare that a Transfer Notice has been deemed to have been served in respect of such Shares.

(L) Market Value

- (1) In these Articles the term "Market Value" shall mean the price per Share certified in writing by the Company's auditors from time to time or any other third party appointed by the Shareholders at their absolute discretion (the "Experts") as being the price which, in their opinion, represents the market value (determined as set out in Article 6.3(L)(2)) for such Share as at the date the Transfer Notice is given or is deemed to have been given in respect of such Share.
- (2) When giving such certificate, the auditors or Experts shall determine the Market Value of the Shares concerned by first determining the market value of the entire issued share capital of the Company and shall then apportion the market value between each class of Shares in accordance with their opinion as to how the market value would be so apportioned on a sale of the entire issued share capital of the Company negotiated on arm's length terms, and the market value per share of each class shall be the market value so

apportioned to that class divided by the number of shares of that class in issue.

- (3) The reasonable fees and expenses of the auditors or Experts in certifying the Market Value shall be borne by the Company.

(M) **Tag-Along**

Subject to the provisions of these Articles:

- (1) Shareholders who hold between them a Controlling Interest in the Company proposing to transfer those Shares to a third party (the "Selling Shareholders") may accept a bona fide offer (the "Offer") from such third party (the "Proposed Purchaser") for the purchase of the entire legal and beneficial interest in all Shares owned by them in the Company for a consideration payable in cash without any deferred consideration terms and otherwise on arms' length terms so long as the acceptance is conditional upon the terms of this Article 6.3(M) being complied with in all respects and that condition is not waived and, for the avoidance of doubt, Articles 6.3(A) to 6.3(L) shall not apply to any transfer of Shares made pursuant to an Offer.
- (2) The Selling Shareholders may complete a purchase pursuant to an Offer if:
 - (a) they dispatch a notice within 7 days of accepting the Offer notifying all other Shareholders (the "Remaining Shareholders") of the main terms of the Offer and that the Selling Shareholders have contracted to accept the Offer as permitted by this Article 6.3(M) such notice to constitute a warranty and representation by the Selling Shareholders that their acceptance of it is bona fide in all respects to the best of the *Selling Shareholders' knowledge, information and belief; and*
 - (b) the Proposed Purchaser has made a binding written offer to the Remaining Shareholders at the same price per share and on terms that are not worse than those in the Offer and such written offer is kept open for at least 14 days from delivery of the notice sent by the Selling Shareholders to the Remaining Shareholders; and
 - (c) the period mentioned in (b) has elapsed or all Remaining Shareholders have accepted or completed the offer made to them;
- (3) The Remaining Shareholders may also accept and complete an offer made to them by a Proposed Purchaser under Article 6.3(M)(2)(b) if the Selling Shareholders accept the Offer and the conditions set out in Article 6.3(M)(2) are met.

(N) **Drag-Along**

- (1) In the event that, following a transfer of Shares made in accordance with Article 6.3(M), a Controlling Interest is obtained in the Company by any person (the "Controller"), the Controller may, as its absolute discretion, request the Company to give notice thereof to all the Shareholders of the Company who have not agreed to sell all or some of the Shares held by them to the Controller, and such Shareholders shall be bound, upon payment to them of an amount equal to the same price per Share and on terms that are

no worse than those in the Offer, to sell or transfer their entire legal or beneficial interest (as the case may be) in such Shares (and to execute transfers and pre-emption waivers in respect of the same) to the Controller.

- (2) If any Shareholder, after having become bound to transfer his legal or beneficial interests (as the case may be) pursuant to Article 6.3(N)(1), defaults in respect of his obligations under this Article, the Company may receive the sale price for that Shareholder's Shares (the "Purchase Monies") tendered by the Controller and the relevant Shareholder shall be deemed to have appointed any one Director as his agent to execute a transfer of the Shares which are the subject of the offers concerned to the Controller and any pre-emption waivers in respect of the same. Upon the execution of such documents and receipt of the Purchase Monies from the Controller, the Company shall pay the Purchase Monies into a separate bank account in the Company's name and hold such money on trust (without interest) for such Shareholder until he shall deliver up to the Company his certificate(s) for the relevant shares (or such indemnity in lieu thereof as the Company may reasonably require) when he shall thereupon be paid the Purchase Monies.
- (3) The receipt of the Company for the Purchase Monies shall be a good discharge to the Controller and after the Controller's name has been entered on the register of members in exercise of the power conferred by this Article 6.3(N), the validity of the proceedings shall not be questioned by any person.

7. Proceedings at General Meetings

7.1 Quorum at Adjourned Meeting

If a quorum is not present at any adjourned meeting as is referred to in regulation 41, then, provided that the member present holds not fewer than 75 per cent. in nominal value of the Shares, any resolution agreed to by such member shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.

7.2 Written Resolution

A resolution in writing may be signed on behalf of a corporation by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative. Regulation 53 shall be extended accordingly. Regulation 53 (as extended) shall apply with necessary changes to resolutions in writing of any class of members of the Company.

7.3 Conference Telephones

Any member or member's proxy or duly authorised representative (being a corporation) may participate in a general meeting or a meeting of a class of members of the Company by means of conference telephones or similar communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person (or by proxy or authorised representative as appropriate) at such meeting for all purposes including that of establishing a quorum. A meeting held by such means shall be deemed to take place where the largest group of participators in number is assembled. In the absence of such a majority the location of the chairman shall be deemed to be the place of the meeting.

7.4 **Single Member**

If and for so long as the Company has only one member:

- (A) if that member takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in general meeting save that this shall not apply to resolutions passed pursuant to sections 303 and 391 of the Companies Act 1985;
- (B) any decision taken by a sole member pursuant to the preceding sub-paragraph shall be recorded in writing and delivered by that member to the Company for entry in the Company's minute book;
- (C) if that member is also a Director and enters into a contract with the Company (other than a contract entered into in the ordinary course of business), the terms of the contract shall, unless the contract is in writing, be set out in a written memorandum or be recorded in the minutes of the first meeting of the Directors following the making up of the contract;
- (D) regulation 57 shall not apply;
- (E) at a meeting that member present in person or by proxy or if that member is a corporation by a duly authorised representative shall be a quorum and regulation 40 shall be amended accordingly; and
- (F) all provisions of these Articles and of Table A shall be construed so as to be consistent with the Company having only one member.

7.5 **Proxies**

An instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority may be handed to the chairman of the relevant meeting. Regulation 62 shall not invalidate such an instrument.

8. **Directors**

8.1 **Number of Directors**

The number of Directors shall not be fewer than two executive Directors and two non-executive Directors ("Independent Directors") but shall not be subject to any maximum. Regulation 64 shall be modified accordingly.

8.2 **No Age Limit for Directors**

Any adult person may be appointed or elected as a Director whatever may be his age, and no Director shall be required to vacate his office by reason of his attaining or having attained the age of seventy years or any other age.

8.3 **Executive Committee**

The Board shall delegate responsibility for day-to-day running of the business to the Executive Committee. At least a majority of executive Directors shall serve as members of the Executive Committee plus senior management appointed by the Board as appropriate. The Board shall not delegate, inter alia:

- a) any matters that must by law or by the rules of any relevant regulatory bodies be decided upon by the Board
- b) the approval of major changes of business strategy
- c) the approval of any corporate acquisitions or disposals greater than both 10% of the shareholders funds of the Company and 5% of the market capitalization of the Company if listed
- d) the approval of equity or debt capital raisings or variations
- e) the approval of quarterly accounts, budgets and forecasts

8.4 Nomination Committee

The company shall at all times have a Nomination Committee which has the responsibility for leading the process for board appointments (including appointment to the Nomination, remuneration and Audit Committees) and making recommendations to the board accordingly.

A majority of the members of the Nomination Committee, of which there shall be a minimum of two, shall be Independent Directors. One of the Independent Directors or the Chairman of the Board shall chair the Nomination Committee. The chairman of the Nomination Committee shall not lead the search for his successor. The Nomination Committee shall make recommendations to the Board regarding board appointments and shall have the power to veto any appointment to the Board.

8.5 Remuneration Committee

The company shall at all times have a Remuneration Committee which has responsibility for determining the remuneration for all executive Directors and the Chairman on behalf of the whole board. The Remuneration Committee shall also recommend and monitor the level and structure of remuneration for senior management. All the members of the Nomination Committee, of which there shall be a minimum of two, shall be Independent Directors. The Board shall determine the Independent Directors' remuneration. Regulation 82 shall be amended accordingly.

8.6 Audit Committee

The company shall at all times have an Audit Committee which has the responsibility for ensuring the interests of shareholders are properly protected in relation to financial reporting and internal control. All the members of the Audit Committee, of which there shall be a minimum of two, shall be Independent Directors. The chairman of the Audit Committee shall have recent and relevant financial experience. The core functions of the Audit Committee are to oversee, assess and review of the functions carried out by management and the internal and external auditors. The audit committee's main responsibilities are:

- a) To monitor the integrity of the financial statements and any formal announcements on the Company's financial performance.
- b) To review the Company's internal financial controls and its internal control and risk management systems.
- c) To monitor/review the effectiveness of the internal audit function.

- d) To make recommendations to the board on the appointment/removal of the external auditors and to approve their terms of engagement and remuneration. If the board does not accept the audit committee's recommendation, the committee should explain its recommendation in the annual report and the board should set out its reasons for taking a different position.
- e) To monitor/review the external auditor's independence/objectivity and the effectiveness of the audit process. If non-audit services are provided then the annual report should explain how objectivity and independence are safeguarded.
- f) To review arrangements by which Company employees can raise concerns about possible improprieties ('whistleblowing') in order to ensure arrangements are in place for their proportionate/independent investigation and for follow-up action.

Any disagreements between the Audit Committee and the rest of the Board should be resolved by the Board. Where an issue cannot be resolved, the Audit Committee shall have the right to include it in its report within the annual report.

8.7 Frequency of Board and Committee meetings

The Board and its Committees shall, except in circumstances as approved by the Audit Committee, meet as follows:

The Board	at least six times a year
The Executive Committee	monthly
The Nomination Committee	at least two times a year
The Remuneration Committee	at least two times a year
The Audit Committee	at least four times a year

8.8 Disqualification and Removal of Directors

The office of Director shall be vacated:

- a) if any of the events specified in regulation 81 occur;
- b) if he shall in writing offer to resign and the Directors shall resolve to accept such offer;
- c) if he becomes incapable by reason of illness or injury of managing and administering his property and affairs; or
- d) if he shall be removed from office by notice in writing signed either by all his co-Directors (being at least two in number) or by a member or members holding 75 per cent. or more of the voting rights in the Company, but so that if the Director holds an appointment to an executive office which thereby automatically determines such removal it shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

8.9 Directors' Interests

On any matter in which a Director is in any way interested he may nevertheless vote and be taken into account for the purposes of a quorum and (save as otherwise agreed) may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof. Regulations 94 to 98 shall not apply.

8.10 Conference Telephone Meetings

Any Director may participate in a meeting of Directors or of a committee of the Directors by means of a conference telephone or similar communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person at such meeting for all purposes including that of establishing a quorum. A meeting held by such means shall be deemed to take place where the largest group of participants in number is assembled. In the absence of such a majority the location of the chairman shall be deemed to be the place of the meeting.

8.11 Written and e-mail resolutions

A resolution executed by all the Directors, or by all the members of a committee constituted under these Articles, shall be as valid and effectual as if it had been passed at a meeting of the Directors, or (as the case may be) at a meeting of the committee, which in every case was duly convened and held. For the purpose of this Article:

- a) a resolution shall consist of one or more written instruments (including faxes) or one or more electronic communications sent to an address specified for the purpose by the Secretary, or a combination of them, provided that each such written instrument and electronic communication (if more than one) is to the same effect;
- b) a written instrument is executed when the person executing it signs it;
- c) an electronic communication is executed when the person executing it sends it provided that it has been authenticated in such manner (if any) as the Secretary shall prescribe;
- d) the Directors, or (as the case may be) members of a committee constituted under these Articles, need not execute the same written instrument or electronic communication; and
- e) a resolution shall be effective when the Secretary certifies that sufficient evidence has been received by him that the resolution has been executed in accordance with this Article.

9. The Seal

If the Company does not have a common seal, the obligation in regulation 6 relating to the sealing of a share certificate shall not apply and regulation 101 shall not apply.

10. Directors' Borrowing Powers

The Directors may exercise all the powers of the Company to borrow or raise money without limit as to amount and upon such terms and in such manner as they think fit and to grant any mortgage or charge over its undertaking, property and uncalled capital, or any part thereof and subject in the case of any security convertible into shares to section 80 of the Companies Act 1985 to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

11. Notice

11.1 In accordance with regulation 111 any notice to be given to or by any person pursuant to these Articles shall be in writing (which shall include electronic mail in writing ("email") to

the extent permitted by the Companies Acts at the time of the notice to be given) except that a notice calling a meeting of the Directors need not be in writing.

11.2 Any notice to be given under these Articles may be delivered personally or sent by first class post (airmail if overseas) or by telex or facsimile or email. Regulation 112 shall not apply.

11.3 The address (either postal or email) for service of any notice shall be as follows:

in the case of a member or his legal personal representative or trustee in bankruptcy:	such member's address as shown in the Company's register of members of the Company;
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in the case of a Director:	his last known address or at the address notified by him to the Company for that purpose;
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in the case of a meeting of the Directors:	the place of the meeting;
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in the case of the Company:	its registered office or the email address of the Company secretary; and
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in the case of any other person:	to his or its last known address.
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11.4 Any notice to be given under these Articles shall be deemed to have been served and be effective:

(A) if delivered personally, at the time of delivery;

(B) if posted, on receipt or at the expiry of two Business Days (as defined in the following Article) (or in the case of airmail four Business Days) after it was posted, whichever occurs first;

(C) if sent by telex or facsimile or email, at the time of transmission (if sent during normal business hours, that is 9.30 to 17.30 local time in the place to which it was sent) or (if not sent during such normal business hours) at the beginning of the next day in the place to which it was sent; and

(D) if sent by cable or telegram, at the time of delivery.

11.5 For the purposes of the Article 11.4, "Business Day" means any day other than a Saturday, Sunday or any day which is a public holiday in the place or places at which the transaction or notice in question is being effected.

11.6 In proving such service it shall be sufficient to prove that personal delivery was made, or that the notice was properly addressed stamped and posted or in the case of a telex that the intended recipient's answerback code is shown on the copy retained by the sender at the beginning and end of the message or in the case of a facsimile that an activity or other report from the sender's facsimile machine can be produced in respect of the notice showing the recipient's facsimile number and the number of pages transmitted or in the case of an email that an activity or other report from the sender's computer system can be produced in respect of the notice showing the recipient's email address and the

information transmitted and the date and time of transmission. Regulation 115 shall not apply.

- 11.7 Any notice may consist of one or more documents (including a telex, facsimile, cable, email or telegram) each signed by or on behalf of or otherwise emanating from the person giving the notice. The signature may be given personally or by a duly appointed attorney or in the case of a body corporate by an officer or by its authorised corporate representative.
- 11.8 In the case of joint holders of a Share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding. Notice so given shall constitute notice to all the joint holders.
- 11.9 A Director absent or intending to be absent from the United Kingdom may request the Directors that notices of meetings of the Directors shall during his absence be sent in writing to him at an address (including email) or to a facsimile or telex number given by him to the Company for this purpose, but if no request is made to the Directors it shall not be necessary to give notice of a meeting of the Directors to any Director who is for the time being absent from the United Kingdom. A Director may waive notice of any meeting either retrospectively or prospectively. Regulation 88 of Table A shall be modified accordingly.

12. Indemnity

12.1 Indemnity

Without prejudice to any indemnity to which any person referred to in this Article 12 may otherwise be entitled, every present and former Director, Alternate Director, Secretary or other officer of the Company (excluding any present or former Auditors) (an "Indemnified Person") shall be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him in the execution and discharge of his duties to the Company and any Associated Company of the Company (as defined by the Act for these purposes), including any liability incurred by any Indemnified Person in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to be done or omitted by him as an officer or employee of the Company or an Associated Company provided that such indemnity shall not extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person (or the obtaining of any personal profit or advantage to which the relevant Indemnified Person was not entitled) and no Indemnified Person shall be entitled to be indemnified for:

- (a) any liability incurred by him to the Company or any Associated Company of the Company (as defined by the Act for these purposes);
- (b) any fine imposed in any criminal proceedings;
- (c) any sum payable to a regulatory authority by way of a penalty in respect of non compliance with any requirement of a regulatory nature howsoever arising;
- (d) any amount for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final;
- (e) any amount for which he has become liable in defending any civil proceedings brought by the Company or any Associated Company in which a final judgment has been given against him; and

- (f) any amount for which he has become liable in connection with any application under sections 144(3) or (4) or 727 of the Act in which the court refuses to grant him relief and such refusal has become final.

12.2 Defence funding

Every Indemnified Person shall be provided with funds by the Company (directly or indirectly) to meet expenditure incurred or to be incurred by him in any proceedings (whether civil or criminal) brought by any party 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 or any associated company, provided that he will be obliged to repay such amount no later than:

- a) in the event that he is convicted in proceedings, the date when the conviction becomes final;
- b) in the event of judgment being given against him in proceedings, the date when the judgment becomes final (except that such amount need not be repaid to the extent that the expenditure is recoverable under a valid indemnity given to him by the Company); or
- c) in the event that the court refuses to grant him relief on any application under sections 144(3) or (4) or 727 of the Act the date when the refusal becomes final.

12.3 Liability Insurance

The Company shall have power to purchase and maintain for any Indemnified Person and for any director, secretary or other officer or employee of an Associated Company insurance against any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company or otherwise in connection with his duties, powers or office.