

Company Number: 4647322

WRITTEN RESOLUTIONS

MUTANDERIS (458) LIMITED
("the Company")



In accordance with the provisions of Section 381A of the Companies Act 1985 the following resolutions in writing (having been signed by or on behalf of all the members of the Company who would at the date the resolutions become effective have the right to attend and vote at general meetings of the Company) shall have effect as if duly passed at a general meeting and without the requirement for any previous notice, and be dated with the date of the last member to sign this or some other document setting out accurately the terms of the resolutions

1. CHANGE OF NAME

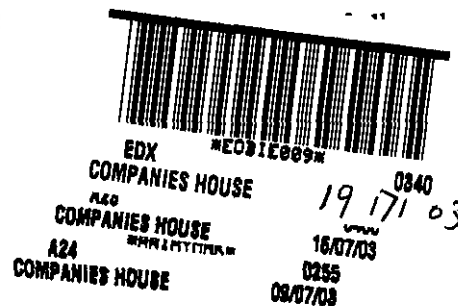
That the name of the Company be changed to:
IMAGE SOURCE GROUP LIMITED

2. INCREASE OF AUTHORISED SHARE CAPITAL

THAT the authorised share capital of the Company be increased from £100,000 to £203,237 by the creation of 982,370 Ordinary Shares of 10p each and 5,000 Preference Shares of £1 each having the rights set out in the Articles of Association

3. ARTICLES OF ASSOCIATION

THAT new Articles of Association in the form attached to this Resolution and for the purpose of identification signed by the Chairman be and they are adopted as the Articles of Association of the Company and all other articles.

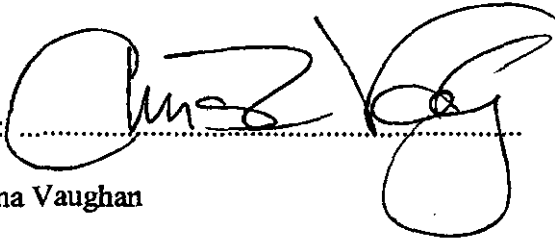


4. **WAIVER OF PRE-EMPTION RIGHTS**

THAT the rights of pre-emption contained in Article 5.3 of the Articles of Association are hereby waived in respect of the following allotment of shares:

Subscriber	Date of Allotment	Class of Shares	Number of Shares
TriVest VCT plc	27 June 2003	Ordinary 10p	785,017
TriVest VCT plc	27 June 2003	Preference £1	5,000

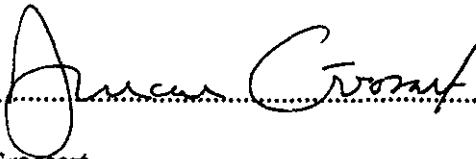
Signed:



Date: 27 June 2003

Christina Vaughan

Signed:



Date: 27 June 2003

Duncan Grossart

Co. Number 4647322

The Companies Acts 1985 and 1989
Company Limited by Shares

New Articles of Association
of
Mutanderis (458) Limited

(adopted by Written Resolution passed
on 27th June, 2003)

Preliminary

- 1 Subject as hereinafter provided, the regulations contained or incorporated in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985, as amended by the Companies (Tables A to F) (Amendment) Regulations 1985, shall apply to the Company. References herein to Table A are references to the said Table A. Regulations 33, 73-80 (inclusive) 82, 96-98 (inclusive) and 118 of Table A shall not apply to the Company.

- 1.1 In these Articles, if not inconsistent with the context, the words standing in the first column of the following table shall bear the meanings set opposite them respectively in the second column:-

<u>Words</u>	<u>Meanings</u>
Act	the Companies Act 1985 (as amended by the Companies Act 1989) and any statutory re-enactment or modification thereof for the time being in force and any reference to any section or provision of the Act shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force;
Articles	these Articles of Association as from time to time altered by special or written resolution;
Board	the directors or a valid quorum of them acting as the board of directors of the Company;
Business Plan	as defined in the Subscription Agreement;
Company	Mutanderis (458) Limited (Reg. No. 4647322);

Continuing Members	means a holder of shares in the capital of the Company who has not issued a Transfer Notice in relation to his shares;
Controlling Interest	an Interest carrying the right to 50% or more of the total number of votes which may be cast on a poll at a general meeting of the Company;
Director	a director of the Company;
GLE DC	GLE Development Capital Limited (Reg. No. 2128556);
Group	the Company and each of its subsidiary undertakings;
Interest	an interest in Ordinary Shares which would be taken into account in deciding whether a notification to the Company would be required under part VI of the Act (regardless of whether it is of a size which requires notification);
Investor	means TriVest or a nominee of TriVest;
Investor Consent	a consent or approval of TriVest given in accordance with the terms of clause 7.4 of the Subscription Agreement;
Investor Director	a director appointed pursuant to Article 9;
in writing	written, or produced by any visible substitute for writing, or partly one and partly another;
Listing	the admission of any part of the share capital of the Company to the Official List of the UK Listing Authority or the grant of permission to deal in the same in the Alternative Investment Market of London Stock Exchange plc or admission of the same to trading on any other recognised investment exchange;
Loan	the sum of £695,000 to be advanced to the Company pursuant to the Loan Agreement;

Loan Agreement	the agreement to be entered into on the date of adoption of these Articles between the Company (1) and TriVest (2)
Managers	each of Christina Vaughan and Duncan Grossart;
Month	calendar month;
Ordinary Shares	the ordinary shares of £0.10 each in the capital of the Company from time to time in issue;
Participating Dividend	the dividend payable on the Preference Shares pursuant to Article 4.1;
Preference Shares	the cumulative participating Preference Shares of £1.00 each in the capital of the Company from time to time in issue;
Sale	means the acquisition of a Controlling Interest in the Company or the entering into by the Company or any of its subsidiaries of an agreement for the sale of the whole or substantially the whole of its assets and business (other than to another member of the Group);
Shares	shares in the capital of the Company of any class from time to time; and
Subscription Agreement	the subscription agreement entered into on 14 th June, 2003 between the Company (1), the Managers (2), TriVest (3), GLE DC (4), Image Source Limited (5) and The Picture Book Limited (6); and
TriVest	TriVest VCT plc (Reg. No. 4069483).

- 1.2 The expression "Secretary" shall include a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary.
- 1.3 Words denoting the singular number shall include the plural number and vice versa; words denoting one gender shall include all other genders; words denoting persons shall include corporations and partnerships.

- 1.4 Save as aforesaid any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.
- 2 The following Regulations of Table A shall be modified:
- Regulation 32(b), by the addition of the words "but so that any such consolidation and/or division shall not result in any member becoming entitled to fractions of a share";
- Regulation 66 by the addition of the words "(subject to his giving the Company an address within the United Kingdom at which notice may be served upon him)" between the words "shall" and "be" where they occur in the first sentence thereof;
- Regulation 67 by the deletion of the words from "but" until the end;
- Regulation 84 by the addition of the words "Unless the contrary shall be provided in the terms of his appointment" at the beginning of the third sentence and the deletion of the fourth sentence; and
- Regulation 85(c) by the addition of the words ", subject to the terms of any contract of employment between the Company and the Director," between the words "shall" and "not".

Share Capital

- 3 The share capital of the Company at the date of adoption of these Articles is £203,237 divided into 1,982,370 Ordinary Shares, and 5,000 Preference Shares.
- 4 The Shares shall have and enjoy the following rights and be subject to the following restrictions:-
- 4.1 As regards dividends:-
- 4.1.1 The holders of the Preference Shares from time to time in issue shall be entitled, in priority to the payment of dividends to the holders of all or any other shares in the capital of the Company, to payment of an annual dividend ("Participating Dividend") to accrue on a daily basis to be calculated as set out in Article 4.1.2 and as follows:

(A)	<u>Period</u>	<u>Percentage of</u> <u>Pre Tax Profits</u>
	From allotment to 31 st December 2005	0.0%

36 months commencing 1 st January, 2006	7.5%
12 months commencing 1 st January, 2009	15%
12 months commencing 1 st January, 2010	20%
and thereafter	25%

4.1.2 For the purposes of Article 4.1.1:-

“Pre-tax Profits” means the net profits of the Company and its subsidiaries as shown by the audited consolidated profit and loss account of the Company and its subsidiaries for the relevant financial period, adjusted to the nearest £1:

4.1.2.1 before taking into account any payment in respect of or provision for payment of any dividends or other distributions (whether by the Company or any wholly-owned subsidiaries) and adding back to such profits the amount of any interim dividend declared and paid by the Company in the year to which the audited consolidated profit and loss account relates;

4.1.2.2 before taking into account any charge for Corporation Tax or any other tax which may be imposed on or by reference to profits, gains, income or distributions (whether in respect of the Company or any subsidiary);

4.1.2.3 before deducting any transfer to or from capital or revenue reserve;

4.1.2.4 before deducting any interest payments whether on the Loan or otherwise;

4.1.2.5 before writing off any goodwill; and

4.1.2.6 after charging or crediting any exceptional, extraordinary or non trading items.

4.1.3 The Participating Dividend shall be paid within one month of the publication of the audited accounts of the Company for the financial period in question. If any Participating Dividend is not paid in full on the due date any unpaid part of the same shall attract interest, which the Company shall pay to the holders of the Shares concerned, at the rate of four per cent per annum above the base rate from time

to time of The Royal Bank of Scotland plc, from the due date until actual payment is made.

- 4.1.4 For the avoidance of doubt it is hereby expressly provided that the whole of the amount of the Participating Dividend shall be paid together with (and not inclusive of) any imputed tax credit at the rate from time to time prevailing.

4.2 As regards capital:-

- 4.2.1 On a return of capital on liquidation or otherwise the surplus assets of the Company remaining after payment of its liabilities (including the redemption of the Loan and all interest and other amounts due on the same) shall be applied as follows.

4.2.2 Firstly, in paying to the holders of the Preference Shares:-

- 4.2.2.1 the amount paid up or credited as paid up thereon including any premium; and then

- 4.2.2.2 a sum equal to any arrears deficiency or accruals of the Participating Dividend thereon (such arrears deficiency or accruals to be calculated down to the date of the return of capital on the basis that such dividends are payable irrespective of whether they have been declared or not).

4.2.3 Secondly, in paying to the holders of the Ordinary Shares;

- 4.2.3.1 the amount paid up or credited as paid up thereon including any premium; and then

- 4.2.3.2 a sum equal to any arrears deficiency or accruals of any dividend thereon, (such arrears deficiency or accruals to be calculated down to the date of the return of capital).

- 4.2.4 Thirdly, the balance (if any) of such assets shall belong to and be distributed amongst the holders of the Ordinary Shares to be distributed amongst such holders pro rata to the number of the Ordinary Shares held by them respectively.

4.3 As regards redemption:-

- 4.3.1 The Company shall, in any of the following events, namely:

4.3.1.1 a resolution being proposed or an order being made for the winding up of the Company or of any of its subsidiaries;

4.3.1.2 a Listing; or

4.3.1.3 a Sale.

(or, in any event, as soon thereafter as the Company shall be able to comply with the provisions of the Act) forthwith redeem the Preference Shares or so many thereof as are outstanding but if the holders of all of the Preference Shares agree in writing the duty to redeem the Preference Shares under this sub-paragraph 4.3.1 shall not apply.

4.3.2 There shall be paid on each Preference Share redeemed:-

4.3.2.1 the amount paid up or credited as paid up thereon; and

4.3.2.2 a sum equal to any arrears deficiency or accruals of the Preference Dividend thereon together with a further amount to be calculated (where any such dividend has not been declared in respect of any relevant financial period) on a pro rata basis from the beginning of the relevant financial period of the Company down to the date of redemption on the basis that such dividends are payable irrespective of whether they have been declared or not.

4.4 As regards voting:-

4.4.1 Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with these Articles, on a show of hands every member who is present in person or (being a corporation) is present by a representative shall have one vote and on a poll every member who is present in person or by a proxy or (being a corporation) is present by a representative shall have one vote for every fully paid Ordinary Share of which he is the holder.

4.4.2 The holders of Preference Shares shall not be entitled to attend or vote at any General Meetings of the Company other than meetings of the members of the Preference Shares as a separate class.

4.5 As regards class rights:-

The following shall be deemed to be a variation for class rights (of which the consent of 62% of the holders of each class of Share then in issue in the Company shall be required) namely:

- 4.5.1 any alteration, reduction or increase of the authorised share capital of the Company or the grant of any options over unissued share capital of the Company;
- 4.5.2 any variation of the rights attached to any of the shares for the time being in the capital of the Company;
- 4.5.3 the sale or disposal of the undertaking of the Company or any of its subsidiaries or any substantial part thereof;
- 4.5.4 any alteration or relaxation of the restrictions on the powers of the Directors to cause the Company and any of its subsidiaries to borrow money;
- 4.5.5 the passing of any resolution for winding-up the Company or any of its subsidiaries;
- 4.5.6 any alteration to the Memorandum or Articles of Association of the Company; or
- 4.5.7 any change of Auditors of the Company or any of the accounting policies or bases adopted or used by the Group at the date of adoption of these Articles.

Issue of New Shares

5 Subject to the provisions of the Act:-

- 5.1 The Company shall not be empowered to issue any further shares after the date of adoption of these Articles without an Investor Consent. Articles 5.2 to 5.5 below are subject to this Article.
- 5.2 The directors are hereby authorised to exercise all powers of the Company to allot all relevant securities (within the meaning of Section 80 of the Act) up to the amount of the authorised but unissued share capital of the Company at the date of adoption of these Articles. Such authority shall be unconditional and unless renewed shall expire on the date being the day before five years from the date of the adoption of these Articles save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the

directors may allot the relevant securities in pursuance of such offer or agreement accordingly. The amount of a relevant security shall in the case of a share in the Company mean its nominal amount, and in the case of a right to subscribe for or to convert any security into shares in the Company mean the nominal amount of shares in the Company which would be required to satisfy such right (assuming full exercise thereof).

- 5.3 Subject to Article 5.4, any shares which the Directors propose to issue shall, before they are issued, be offered to the members holding shares of the same class on the terms that, in the case of competition, the shares so offered shall be allotted to the members accepting the offer in proportion (as nearly as may be and without increasing the number allotted to any person beyond the number applied for by him) to their existing holdings of shares of the same class. The offer shall be made by written notice and shall specify a period of time (being not less than 14 days) within which the offer, if not accepted, will lapse. The Board may allot or otherwise dispose of any shares not accepted by the members within that time to such persons and upon such terms, being no more favourable than those offered to the members, as they think fit. This Article is subject to Article 5.4.
- 5.4 The restrictions contained in Article 5.3 above, shall not apply if all the members agree in writing to waive the same.
- 5.5 The Board is empowered pursuant to Section 95 of the Act to allot equity securities (within the meaning of section 94 of the Act) for cash pursuant to the authority conferred in Article 5.2 as if Section 89 of the Act did not apply to any such allotment.

Transfer of Shares

- 6 Subject to compliance with the provisions of Article 7, the Board shall register a duly stamped transfer of any Share that is presented to it.
- 7.1.1 No Share shall be transferred or otherwise disposed of whether by way of sale or otherwise except as provided in the rest of this Article 7.
- 7.1.2 TriVest shall not transfer or otherwise dispose of any Shares owned or held by it whether by way of sale or otherwise except pursuant to Articles 7.2.4, 7.9, 7.12 or 7.13 or otherwise with the prior written consent of the Managers such consent not to be unreasonably withheld or delayed.

7.2 Any Shares may at any time be transferred without restriction:-

- 7.2.1 to a bare trustee for a member and, in the case of a Share held by a member as a bare trustee for any person to that person or to another bare trustee for that person;
- 7.2.2 in the case of a Share not held by the member as a trustee to a spouse or lineal descendant (including a step-child or adopted child) of the member;
- 7.2.3 in the case of a Share held by a corporate member, to any company which is for the time being an associated company on terms that prior to that associated company ceasing to be such it shall transfer the relevant Shares to the original corporate member or to another associated company thereof. An associated company means a company which is the subsidiary or holding company of that member or the subsidiary of any such holding company as such terms are defined in section 736 of the Act; and
- 7.2.4 in the case of any Share owned or held by TriVest or any nominee on its behalf, to any other Fund managed or advised by GLE DC or to any other institutional shareholder.
- 7.3.1 Subject to Articles 7.2, 7.8, 7.9 and 7.12 a member who wishes to transfer or otherwise dispose of all or any of the Shares registered in his name ("the Retiring Member") shall give written notice (a "Transfer Notice") to the Board offering to sell such Shares at the prescribed price ascertained in accordance with the provisions of Article 7.5 together with, if the member holds any Loan, an offer to transfer a pro-rata amount of such Loan.
- 7.3.2 Within 21 days of the date a Transfer Notice is served on the Board (save where the prescribed price is to be determined by the auditors when the offer will be made within 7 days of the auditors determining the prescribed price) the relevant Shares shall be offered for sale by the Company to all holders of Shares of the same class (other than the Retiring Member) provided that, in the case of a Transfer Notice relating to Shares held by an Employee (as defined in Article 7.8), such Shares shall first be offered, at the request of the Board, to any employee trust established for such purpose with the prior written consent of the Investor Director on terms that, in the case of competition the Shares shall be offered to the members

accepting the offer in proportion (as nearly as may be and without increasing the number to be transferred to any person beyond the number he has indicated he wishes to purchase) to their existing holdings of Shares of that class held by all such members who have indicated they wish to purchase Shares pursuant to the offer. Any offer made by the Company under this sub-Article will invite the relevant members to state in writing the maximum number of the Shares they wish to purchase and will remain open for 21 days ("the Offer Period").

- 7.4 If the Continuing Members, or any of them, shall during the relevant Offer Period accept the offer made pursuant to Article 7.3.2 the Company shall inform the accepting members of the number of the Shares that have been allocated to them and the sale of the relevant Shares shall be completed on the expiry of 28 days after the date of acceptance, (or such other period as those of the Continuing Members accepting the offer and the Retiring Member shall unanimously agree) when such Continuing Members shall pay the purchase money to the Retiring Member, who shall transfer to such Continuing Members all the Shares comprised in the Transfer Notice and deliver to such Continuing Members the certificates for the Shares.
- 7.5 Subject to Article 7.8, the prescribed price for the Shares comprised in a Transfer Notice shall be the price stated in that Transfer Notice as the price which the Retiring Member is prepared to accept unless the Transfer Notice is served under Articles 7.6, 7.7 or 7.8 or is served otherwise than in connection with a bona fide sale on arms length terms, in which event the prescribed price shall be the price agreed between the Retiring Member and the Board (but excluding the Retiring Member if he is a Director) failing which the price certified by an independent firm of chartered accountants selected for this purpose by the Board (who shall use best endeavours to certify the same within 60 days), on the application of any member, as the fair value of the shares comprised in the Transfer Notice as between a willing seller and a willing buyer on a going concern basis and on the assumption that:-
- (a) the value to be given to the Shares shall be such proportion of the value of all the issued Shares in the Company as is attributable to the Shares comprised in the Transfer Notice;
 - (b) ignoring any reduction in value which may be imparted to the Shares comprised in the Transfer Notice by virtue of the fact that they comprise of a minority interest;
 - (c) such Shares are capable of transfer without restriction; and

- (d) the future prospects of the business are taken into consideration.

In so certifying, the independent firm of chartered accountants shall be deemed to be acting as experts and not as arbitrators and their certificate shall be conclusive and binding on the members. The costs and expenses relating to any such certificate given by the independent firm of chartered accountants shall be borne as to one half by the Retiring Member and as to the other half by the Continuing Members who applied for such a certified price by the Auditors pro rata to their respective holdings of shares of the same class of shares comprised in the Transfer Notice.

7.5.1 If the offer made by a Transfer Notice is not accepted during the relevant offer period in respect of all of the Shares comprised in the Transfer Notice, the Retiring Member shall be entitled to retain all of the Shares or at any time within 3 months after the expiry of the Offer Period and subject to Article 7.1.2:-

- a) to sell all (but not part only) of the Shares comprised in that Transfer Notice to any third party who is a member or is approved by an Investor Consent such consent not to be unreasonably withheld; or
- b) to sell to those of the Continuing Members who have accepted the offer made pursuant to Article 7.3.2 the number of Shares which have been allocated to them (in accordance with paragraph 7.3.2 above) and either to sell the remaining Shares comprised in the Transfer Notice to any third party who is a member or is approved by an Investor Consent and by a majority of the Continuing Members such consent not to be unreasonably withheld or to retain the said remaining Shares;

provided that the said Shares shall be sold at a price not less than the prescribed price ascertained in accordance with the provisions of paragraph 7.5 of this Article (without any deduction, rebate or allowance).

7.5.2 At the end of the Offer Period the Transfer Notice shall be deemed to have been automatically withdrawn by the Retiring Member in respect of any Shares not sold by the Retiring Member in accordance with Article 7.5.1.

7.6 Where any member including any former member who has transferred any Shares under Articles 7.2.1, 7.2.2 or 7.2.3 shall cease to be the beneficial

owner of any Shares or shall die or shall become bankrupt or, in the case of a corporate member, shall go into liquidation or if a receiver is appointed over all or part of its undertaking or assets then that member, any transferee under Articles 7.2.1, 7.2.2 or 7.2.3, the executors or administrators of his estate or, as the case may be, his trustee in bankruptcy or liquidator, shall be deemed to have served a Transfer Notice in respect of all the Shares registered in the name of that member or any other person referred to in this Article or held on his or their behalf and there shall be no right to withdraw such a Transfer Notice.

7.7 Where any member to whom Shares have been transferred in accordance with paragraph 7.2.1 of this Article shall cease to hold the Shares as a bare trustee for the relevant member or where any member to whom Shares have been transferred in accordance with paragraph 7.2.3 of this Article shall cease to be an associated company of the original corporate member then that member to whom Shares have been so transferred shall, unless the Continuing Members unanimously agree otherwise, transfer all such Shares back to the original transferor and upon failing to effect the same within 14 days of such event occurring shall be deemed to have served a Transfer Notice in respect of all the Shares registered in the name of that member.

7.8 In this Article:-

“Bad Leaver” means;

- (1) An Employee who has been dismissed by the company concerned as a result of:-
 - (a) material or persistent breach of the terms of his/her Service Agreement;
 - (b) gross misconduct or other conduct likely to bring himself/herself, the Company or the Group into disrepute;
 - (c) being disqualified from holding or cease to be qualified to hold office as a director by any order of the Court or any provision in the Articles or the Company or any Group Company or under any provision of general law from time to time;
 - (d) being convicted of a criminal offence (excluding an offence under the road traffic legislation for which he/she is not sentenced to any term of imprisonment, whether immediate or suspended);

- (e) becoming addicted to or habitually under the influence of alcohol or any drug (not being a drug prescribed by a medical doctor for the treatment of a condition other than drug addiction) the possession of which is controlled by law;
 - (f) persistent or material/substantial breach of the terms of the Subscription Agreement; or
 - (g) materially failing to perform his/her duties as set out in the Service Agreement to the reasonable satisfaction of the Board of Directors of the Company.
- (2) A Manager who voluntarily resigns (other than by reason of death or permanent ill health) from the Company within a period of three years from the date of investment by TriVest.
- (3) A Manager who voluntarily resigns from the Company after the third anniversary of investment by TriVest and fails to observe the restrictive covenants set out in his/her Service Agreement or the Subscription Agreement at any time during the period that the restrictive covenants apply.

"Employee" means an individual who is employed by the Company or any of its subsidiaries or an individual whose services are made available to the Company or any of its subsidiaries under the terms of an agreement between the Company or any of its subsidiaries and such individual or any other person or any person holding shares on trust for such individual or any individual contemplated by Article 7.2.2 and "Contract of Employment" shall be construed accordingly to include such an agreement;

"Good Leaver" means an employee who ceases to be an Employee other than in circumstances constituting him a Bad Leaver; and

"FMV" means fair market value as determined pursuant to Article 7.5.

- 7.8.1 If at any time any Employee ceases to be an Employee where he is a Bad Leaver then such Employee and any person to whom such Employee has transferred any Shares pursuant to Articles 7.2.1 and 7.2.2 shall be bound forthwith to give a Transfer Notice in respect of all the Shares then registered in his/her name. Such a Transfer Notice shall not be capable of revocation. In such circumstances the Prescribed Price shall be determined as follows:-

7.8.1.1 if the Employee ceases to be employed by reason of dishonesty or fraud the Prescribed Price for his entire shareholding in the Company shall be £1.00; and

7.8.1.2 if the Employee ceases to be employed for reasons other than dishonestly or fraud the Prescribed Price for all his shares shall be the lower of cost and FMV.

7.8.2 If any Employee ceases to be an Employee where he is a Good Leaver then such Employee and any person to whom such Employee has transferred any Shares pursuant to Articles 7.2.1 to 7.2.2 shall be bound forthwith to give a transfer notice in respect of all of the Shares then registered in his/her name. Such a Transfer Notice shall not be capable of revocation. In any such circumstances the Prescribed Price shall be a price agreed by the Employee with the Directors (excluding the Employee if also a Director) acting unanimously or failing such agreement FMV. In those circumstances if the net proceeds payable to the Employee exceed his cost of investment in the shares concerned, the excess shall be retained by the Company and paid only if he continues to observe all the restrictive covenants set out in the Subscription Agreement and in his Service Agreement for their full duration.

Tag Along Rights

7.9.1 No sale or transfer of the legal or beneficial interest in any Shares may be made or validly registered if, as a result of such sale or transfer and registration thereof, a Controlling Interest is obtained in the Company:-

- a) by persons who were not members of the Company on the date these Articles were adopted; or
- b) by a company other than a company in which one or more of the members of the Company, or persons acting in concert (which expression shall have the meaning ascribed to it in the May, 2002 Edition of the City Code on Takeovers and Mergers) with any member of the Company has or, as a result of such sale or transfer, will have a Controlling Interest;

unless (A) the Loan has been repaid in full together with all premium thereon and arrears of interest (B) the Preference Shares

have been redeemed in full (C) all arrears of Participating Dividend have been paid (D) the proposed transferees have offered to purchase all the Shares held or owned by TriVest at a price equal to the higher of:

- i) a sum equal to three times to aggregate investment in the Company by TriVest whether for shares, loan or otherwise; and
- ii) a sum equal to the value of the pro-rata consideration offered to the other shareholders.

No warranty shall be required of or given by any Investor other than as to title to any shares held by it in respect of a transfer pursuant to this Article 7.9.

7.9.2 For the purpose of this Article the expressions "transfer" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment.

7.10 The provision of this Article shall apply, mutatis mutandis, to any purported renunciation of rights pursuant to the allotment of any shares to a member.

7.11. If a transferor shall fail to transfer a share which he has become bound to transfer under these Articles, or a member shall fail to serve a Transfer Notice as required by these Articles, the Directors shall authorise any one of their number to execute on the transferor's behalf the stock transfer in respect of that share or a Transfer Notice as appropriate and shall receive the purchase money (and hold it on trust for the transferor) in respect of that share and shall acknowledge receipt thereof which shall be good discharge for the purchaser. Forthwith the Directors shall thereupon register the transferee as the holder of the share and issue to him a certificate for the same whereupon such transferee shall become indefeasibly entitled thereto. The transferor shall be bound to deliver to the transferee his certificate or an indemnity in respect thereof for the share and the Company shall, on delivery of such certificate or an indemnity in respect thereof, pay to the transferor the purchase money, without interest, and shall, if appropriate, issue to him a certificate for the balance of any shares comprised in the certificate so delivered which the transferor has not become bound to transfer.

Drag Along Rights

7.12.1 In any of the following circumstances members (which must include TriVest) holding between them at least 50% of the Ordinary Shares

then in issue (herein referred to as "the Vendors") shall, at any time have the right (the "Drag Along Right") to require all (but not some only) of the other holders of Shares (the "Called Shareholders") to transfer all of the Shares held by the Called Shareholders to any person or persons (other than an existing member) the "Third Party") who is a bona fide purchaser at arms length to whom the Vendors have agreed to transfer all their Shares (the "Transfer Shares").

- 7.12.2 The Drag Along Right may be exercised by the Vendors serving written notice to that effect signed by each Vendor (the "Drag Along Notice") on the Called Shareholders (including option holders on the basis that options will be deemed to have been exercised on the delivery of the Drag Along Notice) specifying that each Called Shareholder is required to transfer its Shares (the "Called Shares") pursuant to this Article 7.12. The Vendors shall provide the Called Shareholders with such information as they may reasonably request in relation to the offer.
- 7.12.3 A Drag Along Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Vendors do not transfer all of the Transfer Shares to the Third Party within 75 days from the date of the Drag Along Notice or, if the Called Shareholders have caused the Loan to be redeemed in full together with premium and interest and have purchased all the Shares of the Vendors in accordance with Article 7.12.8.
- 7.12.4 The proceeds of any sale pursuant to a Drag Along Notice shall be applied as though on a liquidation as provided in Article 4.2, provided that the Vendors shall, if so required by any Called Shareholder, procure that any sum due to that Called Shareholder under this Articles shall be paid in full without any withholding or deferral, in cash on completion of the sale. For the purposes of this Article, the Drag Along Price shall be the total amount of any cash payment to the Vendors plus an amount per share equal to the relevant proportion of any other consideration (in cash or otherwise) receivable by the Vendors (whether on completion of the sale or at any time thereafter and whether conditional, contingent or otherwise) which, having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for such other Shares.
- 7.12.5 Upon the exercise of the Drag Along Right in accordance with this Article 7.12 each of the Called Shareholders shall be bound to sell its

Called Shares for the Drag Along Price and otherwise in accordance with this Article 7.12.

7.12.6 Completion of the sale of the Called Shares shall take place on the date specified for that purpose by the Vendors to the Called Shareholders in the Drag Along Notice save that:-

- (a) the Vendors may not specify a date that is more than 45 days after the date of the Drag Along Notice; and
- (b) the date so specified by the Vendors shall be the same date as the date proposed for completion of the sale of the Transfer Shares;

unless, in the case of the sale by any particular Called Shareholder, that Called Shareholder and the Vendors otherwise agree.

7.12.7 If any Called Shareholder fails to carry out the sale of any of the Called Shares in accordance with this Article 7.12 the Directors may authorise one of their number to execute a stock transfer of the Called Shares to the Third Party (or as it may direct) and the Company may give a good receipt for the purchase price of such Called Shares and may register the Third Party as holder thereof and issue to it (or as it may direct) certificates for the same whereupon the Third Party shall be indefeasibly entitled thereto. The Called Shareholder shall in such case be bound to deliver up its certificate or an indemnity in respect thereof for the Called Shares to the Company whereupon the Called Shareholder shall be entitled to receive the Drag Along Price which shall in the meantime be held by the Company on trust for the Called Shareholder but without interest.

7.12.8 Any one or more of the Called Shareholders shall have the right, within 60 days of the receipt of a Drag Along Notice, provided that they procure that the Company first redeems the Loan in full in accordance with its terms, to offer to purchase, either on their own account or by a new company in which they hold shares, and the Vendors shall be obliged to sell, all (but not some only) of the Shares of the Vendors on the following basis:-

- (a) the obligation to buy and sell shall only arise upon receipt by the Vendors of notice to that effect from one or more of the Called Shareholders together with reasonable evidence in the opinion of the Vendors that they will be able to pay the price for

the same not more than 30 days after the date of service of the Drag-Along Notice;

- (b) no warranties shall be given by TriVest or any person to whom it has transferred any Shares (not including any Manager) if it is a Vendor other than warranties as to title of any Shares held by it; and
- (c) the price per Share shall be the same as the Drag Along Price;

provided always that the right of the Called Shareholders under this Article 7.12.8 shall lapse automatically if (1) no notice has been served by one or more of them on the Vendors within the period referred to above or (2) they have failed to match the offer for the Vendors' Shares, within 60 days of receipt of a Drag Along Notice. In the event of more than one offer to purchase being made by the Called Shareholders, each Vendor shall be free to choose which it decides to accept.

Managers' Drag Along Rights

- 7.13.1 At any time the Managers shall have the right (the "Managers Drag Along Right") to require TriVest to transfer all of the Shares held by TriVest to any person or persons (other than an existing member) (the "Third Party") who is a bona fide purchaser at arms length to whom the Managers have irrevocably agreed to transfer all their Shares (the "Transfer Shares") provided always that the price payable is equal to the value that would be payable pursuant to Article 7.9.1(b)(i) ("Managers Drag Along Price").
- 7.13.2 The Managers Drag Along Right may be exercised by the Managers serving written notice to that effect signed by each Manager (the "Drag Along Notice") on TriVest specifying that TriVest is required to transfer its Shares (the "Called Shares") pursuant to this Article 7.13. The Managers shall provide TriVest with such information as it may reasonably request in relation to the offer including evidence of the sale of all the Managers' Shares to the Third Party.
- 7.13.3 A Managers Drag Along Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Managers do not transfer all of the Transfer Shares to the Third Party within 45 days from the date of the Managers Drag Along Notice.
- 7.13.4 Upon the exercise of the Managers Drag Along Right in accordance with this Article 7.13 TriVest shall be bound to sell its Called Shares

to the Third Party for the Managers Drag Along Price and otherwise in accordance with this Article 7.13.

7.13.5 Completion of the sale of the Called Shares shall take place on the date specified for that purpose by the Managers to TriVest in the Managers Drag Along Notice save that:-

- (a) the Managers may not specify a date that is more than 45 days after the date of the Managers Drag Along Notice; and
- (b) the date so specified by the Managers shall be the same date as the date proposed for completion of the sale of the Transfer Shares;

unless, TriVest and the Managers otherwise agree.

Directors

- 8. Subject to any ordinary resolution of the Company, the maximum number of directors shall be four. The Directors shall be entitled to count in a quorum and to vote at a Directors' meeting, notwithstanding having a personal interest in any matter, provided they shall first have disclosed the full nature of the same pursuant to Section 317 of the Act. Subject to Article 11.1.12, the Directors may appoint any person to be a director of the Company.
- 9. Subject to and in accordance with the following provisions of this Article for the period during which TriVest or any nominee of TriVest holds any Share or any part of the Loan remains outstanding, TriVest at that time shall be entitled to appoint one person, subject to prior consultation with the Board, as a director of the Company, to remove any such person from office as director and to appoint another person in the place of any director so removed or who shall otherwise cease to be a director. Every appointment or removal effected in accordance with this Article shall be in writing signed on behalf of TriVest and shall take effect upon delivery at the registered office of the Company or at any meeting of the directors wherever held.
- 10. Notwithstanding anything to the contrary in these Articles or in Table A in respect of the duties of the directors of the Company, the directors shall be responsible to ensure that or, in the case of items 10.2, 10.5 and 10.6 use all reasonable endeavours to procure that:-
 - 10.1 The Company will maintain proper, usual and up to date accounting and financial records and prepare and use all reasonable endeavours to send to each director of the Company within three weeks of the end of each month

commencing 30 June 2003 a consolidated monthly cashflow balance sheet and profit and loss account for both the Company and its subsidiaries in a form settled by the Board made up to and as at the end of such month and such other reports and information as may reasonably be requested by any director.

- 10.2 The Company will insure with an insurance company of repute to their full replacement value all of its insurable assets against all risks that are usually insured by companies carrying on a similar business and shall procure that each of its subsidiaries shall insure its assets on the same basis.
- 10.3 The Company will carry on and procure that each of its subsidiaries carries on its business in a proper commercial and businesslike manner in accordance with its Business Plan but without liability for failure to achieve the objectives of the Business Plan.
- 10.4 The Company will at all times observe and comply with the provisions of its Memorandum and Articles of Association and, in particular, the Company and the Board for the time being shall comply with the restrictions contained in Article 11.1.
- 10.5 For so long as TriVest shall be entitled under these Articles to appoint a director, no alteration will be made to any rights attaching to any class of shares in the capital of the Company and the Company shall not consolidate, subdivide or convert any of its share capital in any way which alters the rights attaching thereto or the rights of TriVest hereunder without an Investor Consent.
- 10.6 For so long as TriVest shall be entitled under these Articles to appoint a director, the Company will not issue any debentures or other securities convertible into shares or debentures or any share warrants or any options in respect of shares without an Investor Consent.
- 10.7 For so long as TriVest shall be entitled under these Articles to appoint a director, the Company shall procure that any company which becomes a subsidiary of the Company at any time during the term of this Agreement shall adopt articles of association in a form reasonably approved by TriVest.
- 10.8 The Board will determine the general policy of the Company and of any subsidiary (subject to the express provisions of these Articles) including the scope of their respective activities and operations and without prejudice to the other provisions of these Articles the Board will reserve to itself all matters involving major or unusual decisions including borrowings, the issue of debentures, profit sharing payments, the grant or taking of licences

outside the ordinary course of business, acquisitions, substantial capital expenditure, the giving of guarantees outside the ordinary course of business and loans, substantial, long term or abnormal commitments, the declaration and payment of dividends, substantial alterations to the general nature of the Company's businesses, the appointment of directors, the dismissal of senior employees or significant alterations to the Company's corporate plan or budgets.

- 10.9 For so long as TriVest shall be entitled under these Articles to appoint a director (and save as provided by the Subscription Agreement), no dividends or other distributions shall be paid or declared in respect of any Ordinary Shares in the capital of the Company without an Investor Consent.
- 10.10 The Company shall effect and keep in place, for so long as TriVest is entitled to appoint an Investor Director, directors and officers insurance in a minimum value of £1,000,000.
- 10.11 The Company shall reimburse the reasonable travelling expenses of the Investor Director incurred in connection with the business of the Company upon production of a receipt.

Powers of Directors

- 11.1 For so long as TriVest or any nominee of TriVest remains a member of the Company and save as otherwise provided in these Articles, none of the matters listed below shall have any force or effect as regards the Company nor as regards any subsidiary of the Company for the time being (in so far as the directors can secure the compliance of such subsidiaries with the provisions of this Article by exercising all voting rights as directors, shareholders or employees of the Company or such subsidiary) unless approved by resolution of the Board at a duly convened meeting of the Board at which the Investor Director (or his alternate) votes in favour of such resolution or, if no Investor Director is then in office, by an Investor Consent:-
 - 11.1.1 any material change in the nature of its business or any sale, transfer, lease or other disposal of all or any material part of its business, undertaking, property or other assets, including shares in any subsidiary, whether by a single transaction or a series of transactions related or not;
 - 11.1.2 entering into any contract or agreement or other arrangement with the directors or other substantial shareholders of the Company;

11.1.4 acquiring any share or security interest in any other company;

11.1.6 entering into any hire purchase agreement, leasing agreement or agreement for purchase on deferred terms if the aggregate amounts outstanding under all such agreements would exceed £50,000 at any time;

11.1.7 the Company or any of its subsidiaries entering into any transaction other than on bona fide arm's length terms in the ordinary course of business;

11.1.8 commencing or discontinuing any litigation, arbitration or other legal proceedings (except in cases of an individual settlement which is for less than £10,000) other than debt collection in the ordinary course of business;

11.1.9 the approval of any business plan or forecast;

11.1.10 the appointment of any additional Director or the removal or appointment of the Secretary of the Company (except in accordance with the provisions of Article 9) or the removal or appointment of the Auditors or Bankers of the Company; or

11.1.11 the employment of any spouse, child or other family member of a Manager.

11.2 For the purposes of this Article 11.1 the phrase "Business Plan" means the document setting out the agreed policy of the Directors for the operation of the Company and approved by a resolution of the Board at which the Investor Director voted in favour together with any amendment thereto approved by a resolution of the Board at which the Investor Director voted in favour.

12. The quorum necessary for the transaction of the business of the directors shall be two directors (or their alternates) of whom one shall (unless there is then no Investor Director in office) be the Investor Director (or his alternate) unless the Investor Director shall first have given his written consent to any particular meeting being held with a quorum of two not including the Investor Director. If the Investor Director or his alternate does not attend any meeting then such meeting shall be adjourned for a period of not less than 7 days and if the Investor Director does not attend any such meeting when it is reconvened the quorum shall be any two directors (or their alternates) then present. Any Director may participate in a meeting of the Directors by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can

hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.

13. All meetings of the Directors shall, unless otherwise agreed by the Investor Director, be convened on not less than seven days notice to each of the Directors stating the time and place of the meeting and the matters to be dealt with at the meeting, and Board Meetings shall be convened at least once in each month at intervals of not more than five weeks.
14. The Directors shall procure that draft minutes of all Meetings of the Board are delivered to each Investor and GLE DC (or such other advisor as TriVest may from time to time specify) within two weeks of the date of the Meeting.
15. Each Investor shall be entitled (in addition to its rights under Article 9) while it or any nominee of its remains a member of the Company to have a representative attend and speak at all Meetings of the Board (even if such representative is not a Director) but such representative shall not (unless a Director, or duly appointed alternate) count in the quorum, or be entitled to vote at any such Board Meeting.

Borrowing

16. Subject as hereinafter provided the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.
17. The Board shall restrict the borrowings of the Company and exercise all voting and other rights exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and its subsidiaries for the time being or any of such companies (exclusive of the Loan or any loan of the same amount or less which replaces the Loan and moneys borrowed by the Company from and for the time being owing to any such subsidiary, or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time, without an Investor Consent, exceed £500,000.
18. For the purposes of these Articles the expression "moneys borrowed" shall include the principal amount (together with any fixed or minimum premium payable on final repayment) of any loan capital notwithstanding that the same may have been issued in whole or in part for a consideration other than cash but shall not include:-

- 18.1 amounts borrowed for the express purpose of repaying (with or without premium) any moneys borrowed then outstanding and applied for that purpose within four months of being so borrowed (pending their being so applied); and
- 18.2 moneys borrowed by a partly-owned subsidiary to the extent of the proportionate interest in the issued ordinary share capital thereof not beneficially owned by the Company or another subsidiary.
19. No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions of this Article be concerned to see or inquire whether this limit is observed. No debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the limit hereby imposed had been or would thereby be exceeded.

Indemnity

20. The Directors, alternate Directors, Managers, Auditors, Secretary and other officers of the Company shall be indemnified out of its assets against all liability incurred by them as such in defending any proceedings, whether civil or criminal, in respect of alleged negligence, default, breach of duty or breach of trust, in which judgment is given in their favour, or in which they are acquitted or in connection with any application under Section 144(3) or (4) or Section 727 of the Act in which relief is granted to them by the Court.