

Company Number: 5021852

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

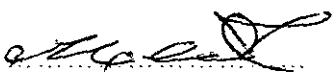

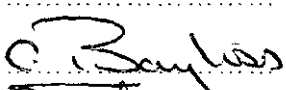
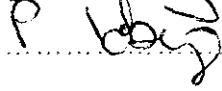
BRITTON HOLDINGS LIMITED

Pursuant to Section 381A of the Companies Act 1985

We, the undersigned members of the Company being the holders of all of the issued shares in the Company hereby approve the passing of the following as a written resolution under section 381A Companies Act 1985

RESOLUTION

THAT on the passing of this resolution the articles of association contained in the document signed by the Chairman for the purposes of identification are adopted as the new articles of association of the Company in place of its existing articles of association.

<u>Name of shareholder</u>	<u>Signature</u>	<u>Date</u>
Mike Clark		6/4/05
Stephen Goodman		31/3/05
William Greig		
Geoffrey Bayliss		31/3/05
Paul Toby		31/3/05
Barry Turner		

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COMPANY LIMITED BY SHARES

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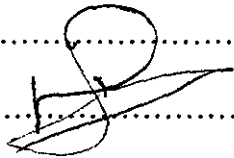

BRITTON HOLDINGS LIMITED

Pursuant to Section 381A of the Companies Act 1985

We, the undersigned members of the Company being the holders of all of the issued shares in the Company hereby approve the passing of the following as a written resolution under section 381A Companies Act 1985

RESOLUTION

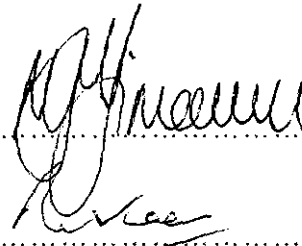
THAT on the passing of this resolution the articles of association contained in the document signed by the Chairman for the purposes of identification are adopted as the new articles of association of the Company in place of its existing articles of association.

<u>Name of shareholder</u>	<u>Signature</u>	<u>Date</u>
Mike Clark
Stephen Goodman
William Greig		5/4/2005
Geoffrey Bayliss
Paul Toby
Barry Turner		30/3/2005

Mark Finneran

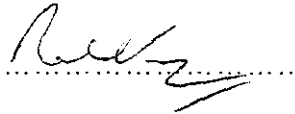
Lloyds TSB Development
Capital Limited

LDC Co-Investment Plan
2004


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07th April 2005

7/4/05-
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7/4/05
.....

Company No: 05021852

ARTICLES OF ASSOCIATION
OF
EVER 2284 LIMITED

(Adopted by special resolution
passed 30 March 2005)

Browne Jacobson LLP
44 Castle Gate
Nottingham
NG1 7BJ

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DX : 718130 Nottingham 27
E-mail: info@brownejacobson.com

Company No: 05021852

Companies Act 1985
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
EVER 2284 LIMITED

(Adopted by written resolution passed 2005)

1 Preliminary

The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 in force at the time of adoption of these Articles (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied by or are inconsistent with these Articles and such regulations (save as so excluded, varied or inconsistent) and these Articles shall be the regulations of the Company. The following Regulations of Table A shall not apply to this Company: 1, 3, 24, 40, 41, 46, 47, 50, 64, 87, 89 and 118.

2 Interpretation

2.1 In these Articles and in Table A the following expressions have the following meanings unless inconsistent with the context:-

"Act"	the Companies Act 1985 including any statutory modification or re-enactment of the Act for the time being in force;
"A Loan Stock"	the £18,450,000 secured A loan stock created by the A Loan Stock Instrument;
"A Loan Stock Instrument"	the instrument of the Company creating the £18,450,000 A Loan Stock;
"A Ordinary Shares"	the A ordinary shares of £0.01 each in the capital of

	the Company;
"Asset Sale"	the sale (whether by one transaction or a series of connected transactions) of the whole or substantially the whole of the undertaking of the trading assets or trading subsidiaries;
"Auditors"	the auditors from time to time of the Company;
"these Articles"	these articles of association, whether as originally adopted or as from time to time altered by special resolution;
"Bad Leaver"	an Employee Shareholder who ceases to be an Employee Shareholder in circumstances where he is not a Good Leaver;
"Bank"	the Governor and Company of the Bank of Scotland;
"Bank Group"	means the Bank, HBOS plc (registered No. SC218813), any subsidiary of either of them, any holding company of either of them and any subsidiary of any such holding company;
"Business Days"	a day except Saturday or Sundays on which banks in the City of London are generally open for business
"Connected Persons"	has the meaning set out in section 839 ICTA;
"clear days"	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Credit Agreements"	the Working Capital Facility Letter, the confidential invoice discounting facility letter and the business

direct facility letter each dated the date of adoption of these Articles made between the Company and certain members of the Group and the Bank;

“Deferred Shares” the deferred shares of £0.01 each in the capital of the Company;

“Directors” the directors from time to time of the Company or (as the context shall require) any of them acting as the board of directors of the Company;

“Due Proportion” in the same proportion, as nearly as may be, as the nominal amount of a Shareholder's existing holding of a class of Shares bears to the total nominal amount of such class of Shares in issue;

“Employee Shareholder” a Shareholder who is an employee or director of the Company or any of its subsidiaries (save for an Investor Director);

“Equity Proceeds” (a) On a Listing, the valuation placed upon the whole of the Equity Shares and the A Ordinary Shares (on the assumption that no Ordinary Shares have been converted into Deferred Shares) as conclusively certified (at the cost of the Company) by the sponsoring broker, calculated on the basis of the issue price referred to in the prospectus (or listing particulars) published in connected with the Listing, LESS the gross amount of any new money raised by the Company from the subscription for new shares issued by the Company at the time of and in connection with the Listing and LESS the costs and expenses of the Listing; and

- (b) On a Share Sale, the price paid for all the Equity Shares and the A Ordinary Shares (on the assumption that no Ordinary Shares have been converted into Deferred Shares) calculated by reference to the price paid upon such sale PLUS the cash value of any other sum (in cash or otherwise) received or receivable by the Shareholders (or any of them) which can reasonably be regarded as an addition to the price for the Equity Shares and the A Ordinary Shares (whether or not paid at the time of the Share Sale) and to the extent that the consideration for the Share Sale includes shares, loan notes or an element of deferred or contingent consideration, its value shall be the present value of such consideration (but, for the avoidance of doubt, excluding any sums paid to any holder of Equity Shares (or A Ordinary Shares) at or immediately prior to the Share Sale as repayment of debt, interest or commission) and LESS the costs and expenses of the shareholders in connection with the Share Sale; and
- (c) On an Asset Sale, the price paid upon such sale PLUS the cash value of any other sum (in cash or otherwise) received or receivable by the Company or its trading subsidiaries (or any of them) which can reasonably be regarded as an addition to the price for the Asset Sale (whether or not paid at the time of the Asset Sale) and to the extent that the consideration for the Asset Sale includes

shares, loan notes or an element of deferred or contingent consideration, its value shall be the present value of such consideration (in each case after payment of any applicable taxation by the Company and its subsidiaries) PLUS (or minus) the consolidated net asset value (or net liabilities) of all other assets and liabilities of the Company and its subsidiaries not subject to the Asset Sale as agreed by the Investor and the holders of majority of the Ordinary Shares LESS the cost and expenses of the Company or its subsidiaries in connection with the Asset Sale;

- (d) On a Liquidation, a sum equal to the total amount that is available for distribution amongst the holders of the Equity Shares and the A Ordinary Shares (on the assumption that no Ordinary Shares have been converted into Deferred Shares) (not previously accounted for by way of an Asset Sale).

“Equity Shares” the Ordinary Shares and Preferred Ordinary Shares but not the A Ordinary Shares nor the Deferred Shares;

“executed” includes any mode of execution;

“Family Trust” as defined in Article 10.1.2;

“Good Leaver” an Employee Shareholder who ceases to be an

Employee Shareholder:

- (i) as a result of death, or retirement at normal retirement age;
- (ii) for the reason set out in Article 13.1.2;
- (iii) by reason of redundancy; or
- (iv) as a direct result of any sale by the Group of any Subsidiary or of any material part of its business or undertaking on arms length terms to a third party unconnected with the Group or any Employee Shareholder.

“Group” the Company and every company which is from time to time a subsidiary or holding company of the Company or subsidiary of any such holding company and “**Group Company**” means any one of them;

“holder” in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

“Independent Expert” the persons agreed or elected in accordance with the provisions of Article 11.3.2

“ICTA” the Income and Corporation Taxes Act 1988;

"Income Proportion" 57.5% to the holders of the Preferred Ordinary Shares and 42.5% to the holders of the Ordinary Shares unless the A Ordinary Shares have been issued in which case the Income Proportion will be 57.5% to the holders of the Preferred Ordinary Shares and 41.5% to the holders of the Ordinary Shares and 1% to the holders of the A Ordinary

	Shares (and, in either case, pro rata according to par value as between the holders of each class)
"Intercreditor Agreement"	the intercreditor agreement entered into on the same date as the adoption of these Articles between certain members of the Group, the Investor, Michael Clark and the Bank;
"Investment Agreement"	the investment agreement entered into on the same date as these Articles are adopted between the holders of the Equity Shares and the Company;
"Investor"	as defined in the Investment Agreement and its successors and assigns and any person who is or becomes an Investor for the purposes of the Investment Agreement or any nominee of an Investor or any such person;
"Investor Director"	the director appointed under <u>Article 23</u> ;
"Liquidation"	the winding up or liquidation of the Company;
"Listing"	the admission of any part of the equity share capital of the Company to the Official List of the London Stock Exchange or the admission by the London Stock Exchange of any part of the equity share capital of the Company to trading on the Alternative Investment Market of the London Stock Exchange or the admission of any part of the equity share capital of the Company on any other recognised investment exchange (as defined by section 285 Financial Services and Markets Act 2000) and, in each case, such admission becoming effective;
"London Stock"	London Stock Exchange plc

Exchange”

“Member of an Investor’s Group” an Investor, any subsidiary of an Investor and any holding company of an Investor and any subsidiary of such holding company and any nominee of any of the foregoing and “**Investor’s Group**” shall be construed accordingly;

“office” the registered office of the Company;

“Option Agreement” means the option agreement to be entered into on the date of adoption of these Articles between all of the Shareholders, the Company, the Investor and Uberior Trading Limited;

“Ordinary Shares” ordinary shares of £0.01 each in the capital of the Company;

“Permitted Transferee” any person to whom a Shareholder may validly transfer a share pursuant to Articles 10.2 or 10.3

“Preferred Ordinary Shares” the preferred ordinary shares of £0.01 each in the capital of the Company;

“Privileged Relation” as defined in Article 10.1.1;

“Realisation” a Share Sale, Asset Sale, Listing or Liquidation;

“Relevant Shares” means and includes the shares originally transferred to a Permitted Transferee and any additional shares issued or transferred to a Permitted Transferee by virtue of the holding of the relevant shares or any of them;

“seal” the common seal of the Company (if any);

“secretary” the secretary of the Company or any other person appointed to perform the duties of the secretary of

	the Company, including a joint, assistant or deputy secretary;
"Shareholder"	a holder for the time being of shares in the capital of the Company;
"Share Sale"	the sale (whether by one transaction or a series of connected transactions) of more than sixty per cent (60%) of the entire equity share capital of the Company;
"Shares"	the issued shares in the capital of the Company from time to time and shall include any interest in a share;
"Supplemental Deed"	a deed supplemental to the Investment Agreement substantially in the form set out in the Investment Agreement;
"Transfer Notice"	as defined in <u>Article 11.1</u> ;
"Transfer Price"	the price for the Sale Shares the subject of a Transfer Notice as determined in accordance with <u>Article 11</u> ;
"United Kingdom"	Great Britain and Northern Ireland;
"Voting Proportions"	the holders of the Ordinary Shares as a class shall be entitled to 55% of the voting rights attaching to all the Equity Shares and the Preferred Ordinary Shares as a class shall be entitled to 45% of the voting rights attaching to all the Equity Shares.
"Working Capital Facility Letter"	has the meaning set out in the Investment Agreement.

- 2.2 Unless the context otherwise requires, words or expressions contained in these Articles and in Table A shall bear the same meaning as in the Investment Agreement and the Act (but excluding any statutory modification of the Act not in force when these Articles become binding on the Company).
- 2.3 Any of the rights, powers, discretions and consents of the LDC Co-Investment Plan 2004 (the "Plan") may be exercised by Lloyds TSB Development Capital Limited ("LDC") or any other management company nominated by and acting on behalf of LDC and/or the Plan at any time or by some other person or persons nominated in writing by the Investor for the time being (provided that, in each case, notice is given to the Company of such nomination) and such manager or such person or persons may enforce such rights directly as if it were a party to this Agreement.
- 2.4 Where there is more than one Investor, any rights and powers of the Investor may be exercised individually by each Investor but any consents or approvals shall be required to be given by all Investors, but unless and until the Plan notifies the Company otherwise, the consent or approval of LDC shall be deemed to include the consent or approval of the Plan.

3 Share capital

The authorised share capital of the Company at the date of adoption of these Articles is £10,000 divided into 540,000 Ordinary Shares and 450,000 Preferred Ordinary Shares and 10,000 A Ordinary Shares.

4 Rights attaching to Shares

4.1 Income

Subject to the prior written consent of the Investor (and to the terms of the Intercreditor Agreement), any profits resolved to be distributed in any financial year or period shall be distributed amongst the holders of the Equity Shares and, if issued, the A Ordinary Shares in the Income

Proportion. The Deferred Shares shall have no right to participate in the profits of the Company.

4.2 **Capital**

On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares), the assets of the Company available for distribution amongst Shareholders after payment of its liabilities and the costs, charges and expenses of winding up where applicable shall be applied as provided in Article 29.

4.3 **Voting**

4.3.1 Equity Shares and the A Ordinary Shares

The holders of the Equity Shares shall have the right to receive notice of and attend and vote at any general meeting of the Company. Each such holder present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll the Equity Shares shall have such number of votes as result in the voting rights attaching to the Equity Shares being divided in the Voting Proportions and the A Ordinary Shares shall have one vote for every one A Ordinary Share in issue up to a maximum of one per cent.

4.3.2 Swamping Rights

Notwithstanding Article 4.3.1, the holders of the Preferred Ordinary Shares shall have sufficient votes per Preferred Ordinary Share to allow the holders of the Preferred Ordinary Shares to exercise 90% of the voting rights of the Company if (but only for so long as the events referred to in Article 4.3.2 (a) to (e) are continuing or have not been remedied):

- (a) the business of the meeting is or includes the consideration of a resolution for winding up the Company or a resolution for reducing the Company's share capital or a resolution varying, modifying, altering or aggregating any of the rights, privileges, limitations or restrictions attached to the Preferred Ordinary Shares;
- (b) a Financial Event of Default has occurred under the Credit Agreements (as the same are defined therein) unless they have been remedied and waived in writing by the obligee under the Credit Agreements;
- (c) any amount payable by the Company under the A Loan Stock (whether capital or interest) is in arrears and has not been remedied by the Company within 30 days;
- (d) a breach of Clauses 5 or 7 of the Investment Agreement has occurred and the Company has failed to remedy that breach within 30 days following notice in writing from the Investor requiring it to do so; or
- (e) any event occurs which falls within the circumstances set out in paragraphs 3 and 17 of schedule 7 to the Working Capital Facility Letter.

4.3.3 On the happening of an event as set out in Article 4.3.2 the limitation on the maximum number of directors set out in Article 22.1 shall cease to apply and there shall be no limit on the number of directors appointed.

4.3.4 The holders of the Deferred Shares (in their capacity as holders of Deferred Shares) shall have no right to receive notice of, attend or vote at general meetings.

4.4 **Further issues of Shares**

The Company shall not be entitled to issue any further shares ranking as regards participation in the profits and/or assets of the Company either in priority to or

pari passu with the Preferred Ordinary Shares save with the consent or sanction of the holders of the Preferred Ordinary Shares given in accordance with the provisions of Article 5.

5 Class rights

Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of seventy five per cent (75%) of the issued shares of that class and, in relation to the Preferred Ordinary Shares only, such consent may be given by the Investor Director. Without prejudice to the generality of this Article, the special rights attached to the Preferred Ordinary Shares shall be deemed to be varied by and accordingly the prior consent in writing (or in a separate meeting) of the holders of the Preferred Ordinary Shares shall be required to the following matters:

- 5.1 the creation, allotment or issue of any further shares or any loan stock convertible into shares of the Company or any of its subsidiaries;
- 5.2 the grant or agreement to grant to any person any option or right to subscribe for, or otherwise require the allotment or issue of any shares or any loan stock convertible into shares of the Company or of any of its subsidiaries other than in respect of the Option Agreement;
- 5.3 the purchase, redemption, consolidation, reduction, sub-division or conversion of any of the shares of the Company or any of its subsidiaries (issued or unissued, present or future), or the entry into any contract to do so save as contemplated by their respective articles of association;
- 5.4 the replacement or amendment of the memorandum or articles of association of the Company or any of its subsidiaries; or
- 5.5 any change to the auditors, accounting reference date or the accounting policies principles, practices or bases used in the preparation of its accounts (save to ensure that they are consistent with generally accepted accounting principles in the United Kingdom), of the Company or any of its subsidiaries;

- 5.6 the putting into effect of a members voluntary winding up or the taking of any steps to have itself wound up by the Company or any of its subsidiaries;
- 5.7 the filing of any documentation with a court of competent jurisdiction in relation to, or taking any steps for, the appointment of an administrator of the Company or notice of intention to appoint an administrator;
- 5.8 the appointment of a liquidator;
- 5.9 the inviting of any person to appoint an administrative receiver;
- 5.10 the making of any proposal for a voluntary arrangement under Part I of the Insolvency Act 1986.
- 5.11 the declaration or payment of any dividend or the making of any other distribution (as defined in ICTA) by the Company to its shareholders save, in the case of the Company, for any dividends payable on the Preferred Ordinary Shares in accordance with these Articles and/or payment of interest or principal in respect of the A Loan Stock; or
- 5.12 the calling of a meeting of the Company to effect or approve any matter which would by virtue of this Article be a variation of the class rights of the Preferred Ordinary Shares.

6 Lien

The Company shall have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted to the Company, whether he shall be the sole registered holder of such shares or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company whether or not in respect of the shares in question. Regulation 8 of Table A shall be modified accordingly.

7 Calls on shares and forfeiture

There shall be added at the end of the first sentence of Regulation 18 of Table A, so as to increase the liability of any member in default in respect of a call, the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

8 **Issue of shares**

- 8.1 Subject to Articles 4.4 and 5 (and save for any unissued A Ordinary Shares to be issued under the Option Agreement) and subject to any contrary direction given by the Company in general meeting by special resolution, all unissued shares in the capital of the Company which the Directors propose to issue shall first be offered to the members who are at that time holders of the same class of shares as those to be issued, upon such terms and conditions as the Directors may determine. The shares on offer shall be offered to such holders in the Due Proportion and the Director's decision as to the number of shares which constitute the Due Proportion shall be conclusive final and binding.
- 8.2 Any offer made pursuant to Article 8.1 shall be made by notice in writing which shall state:
- 8.2.1 *the total number and class of shares being offered;*
- 8.2.2 *the proportionate entitlement of the member to whom the offer is made;*
- 8.2.3 *the price per share; and*
- 8.2.4 *that each member is required to state in writing within a specified period (not being less than 21 days) how many of his proportionate entitlement of shares, if any, he is willing to take.*
- 8.3 If a member does not accept such an offer within the specified period, he will be deemed to have declined the offer as regards those shares.
- 8.4 After the period specified in the notice has expired, any shares which have been declined or are deemed to have been declined shall be offered by the Directors (the "**further offer**") to the persons holding shares of the same class who have accepted all the shares offered to them within the specified period. The further offer will be made to those persons in proportion to the number of the shares of that class held at that time by them respectively, and shall be made in similar terms, in the same manner and limited by a similar period as the original offer.

- 8.5 Any shares not accepted pursuant to the original offer or further offer or not capable of being offered except by way of fractions or any shares released from the provisions of this Article by a special resolution shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of them to such persons, on such terms, and in such manner as they think fit with the prior written approval of the Investor. No share shall be issued at a discount or otherwise in breach of the provisions of these Articles or of the Act.
- 8.6 Subject to Article 4.4 and any special rights conferred upon the holders of any shares or class of shares, any share in the Company may be issued with or have attached to it such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may by special resolution determine.
- 8.7 Subject to the Act, any preference shares may be issued on terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may by special resolution determine.
- 8.8 Regulation 4 of Table A and, in accordance with section 91(1) of the Act, sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

9 **Share transfers**

- 9.1 The Directors shall not register any transfer of shares in the Company by a member except where:

9.1.1 the transfer is permitted by Article 10 (a “**permitted transfer**”) or is compulsory by reason of any of Articles 11, 12 and 13 (a “**compulsory transfer**”); and

9.1.2 in all cases a Supplemental Deed duly executed by all relevant parties is laid before the meeting at which the transfer is to be approved,

and for the purpose of these Articles, the following shall be deemed (but without limitation) to be a transfer of shares in the Company by a member:

- (a) any direction (by way of renunciation or otherwise) by a member entitled to any allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself; and
- (b) any sale or any other disposition of any legal or equitable interest in a share (including any voting right attached to such share) and whether or not by the registered holder of such share and whether or not for consideration or otherwise and whether or not effected by an instrument in writing.

9.2 The Directors may in their absolute discretion, and without assigning any reason for it, decline to register:

9.2.1 any transfer of any share over which the Company has a lien;

9.2.2 any transfer to more than four transferees; and/or

9.2.3 any transfer comprising shares of more than one class.

9.3 For the purpose of ensuring that a transfer of shares is duly authorised under these Articles or that no circumstances have arisen whereby a Transfer Notice is required to be given under these Articles the Directors may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferor or transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors think fit regarding any matter which they deem relevant to such purpose including (but not limited to) the names and addresses and interests of all persons respectively having interests in the shares from time to time registered in the member's name. Failing such information or evidence being furnished to the satisfaction of the Directors within 28 days after request, the Directors (unless otherwise agreed by the Investor Director) shall refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of all shares held by that member.

9.4 Subject to Article 9.1, Article 9.2 and Article 9.3, the Directors shall be obliged to register both a permitted transfer and a compulsory transfer.

9.5 If in any case where under the provisions of these Articles the Directors require a Transfer Notice to be given in respect of any shares or a person has become bound to give a Transfer Notice in respect of any shares, and such a Transfer Notice is not duly given within a period of two weeks of demand being made or where appropriate within the period allowed respectively a Transfer Notice shall be deemed to have been given at the expiration of the specified period and the provisions of Article 11 shall apply *mutatis mutandis* provided that the Transfer Price shall be the price certified by the Independent Expert in accordance with Article 11.3.

10 Permitted transfers

10.1 Definitions

For the purposes of this Article:

10.1.1 the expression "**Privileged Relation**" in relation to a Shareholder shall mean the spouse or widow or widower of the Shareholder and the Shareholder's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Shareholder's children; and

10.1.2 the expression "**Family Trust**" shall, in relation to any Shareholder, mean trusts (whether arising under a settlement *inter vivos* or a testamentary disposition by whomsoever made or under an intestacy):

- (a) under which no immediate beneficial interest in the Shares in question is for the time being vested in any person other than the Shareholder concerned or a Privileged Relation of such Shareholder and no power of control over the voting powers conferred by such Shares is for the time being exercisable by or subject to the consent of any person other than the trustee or trustees or the Shareholder concerned or a Privileged Relation of

such Shareholder and also the Directors are satisfied that the trust is and is intended to remain a trust the sole purpose of which is to benefit the Shareholder or a Privileged Relation of such Shareholder; and

- (b) the terms of which insofar as they relate to the powers of the trustees and the identity of the trustees have been approved by the Investor in writing (such approval not to be unreasonably withheld).

10.2 Transfers to family shareholders, trusts and nominees

10.2.1 Any Shareholder being an Employee Shareholder (and not being in relation to the shares concerned a holder of such shares as a trustee of any Family Trust or a nominee) may at any time transfer Shares:

- (a) to a Privileged Relation of such Shareholder; or
- (b) to trustees to be held upon a Family Trust resident in the United Kingdom provided that the trustees of any such Family Trust shall be duly authorised under the constitution of such Family Trust to provide warranties, representations, indemnities and such other obligations as shall be acceptable to the Investor (acting reasonably) in connection with any Sale or Listing and shall have the power to restrict the distribution of the assets of the Family Trust during any warranty or indemnity period; or
- (c) to a nominee of the Shareholder or, where the Shareholder is a nominee for any other person, to that person or to another nominee for him provided that in any such case the transferor certifies to the Company that no beneficial interest in the shares passes by reason of the transfer,

provided that the maximum amount of Shares which can be transferred in aggregate pursuant to paragraphs (a) and (b) above shall not, without the prior written consent of the Investor, exceed ten per cent (10%) of the

Shareholder's holding of Shares at the date of adoption of these Articles and provided further that the Shareholder cannot make more than four separate transfers pursuant to this Article 10.2.

10.3 **Family Trust**

Where shares are held by trustees of a Family Trust, the trustees and their successors in office may, subject to the provisions of Article 10.8 (*Cessation of required relationship*), transfer all or any of the Relevant Shares as follows:

10.3.1 to the trustees for the time being of the Family Trust concerned on any change of trustees; or

10.3.2 to the trustees for the time being of any other trust being a Family Trust in relation to the original transferor; or

10.3.3 to the original transferor; or

10.3.4 to any Privileged Relation of the original transferor,

provided that the total number of transferees of Relevant Shares originally held by the Shareholders at the date of adoption of these Articles shall not exceed four.

10.4 **Transfers by an Investor**

10.4.1 An Investor may at any time transfer Shares to any Member of an Investor's Group without restriction provided that if subsequently such transferee ceases to be a Member of an Investor's Group, such transferee shall immediately notify the Directors in writing that such event has occurred and be bound to transfer all Shares held by it to the original transferor or another Member of an Investor's Group.

10.4.2 An Investor may at any time transfer shares to any other Investor without restriction.

10.4.3 An Investor may transfer shares or any interest in or any rights arising from any shares without restriction:-

- (a) to the beneficial owner or owners in respect of which the transferor is a nominee, custodian or trustee or to any other nominee, custodian or trustee for such beneficial owner or owners;
- (b) to any unit holder, shareholder, participant, manager or advisor (or any employee or director of, or any consultant to, any such manager or advisor of or to any company or other entity in the same group as, or associated with, such manager or advisor, or to the trustees of any family trust of any such person) in or any of the Investors or of any investment fund, collective investment scheme or any co-investment scheme which invests in parallel or co-invests with any of the Investors and in respect of which any Member of an Investor's Group or the transferor is the manager, advisor or administrator or a nominee or custodian;
- (c) to any other investment fund, collective investment scheme or co-investment scheme, managed or advised by any Member of an Investor's Group;
- (d) to any person or persons as the Investor thinks fit provided that any transfer pursuant to this paragraph (d) shall be restricted to transfers or disposals of any voting rights arising from any shares;
- (e) to a nominee, custodian or trustee of or to a member of the same group as, the Transferor or any of the persons referred to in subparagraphs (a), (b) or (c) of this article; or
- (f) by way of syndication or to any fundholder from time to time of LDC.

10.5 Transfers by the Bank

Any member of the Bank Group may at any time transfer any shares issued on exercise of the option contained in the Option Agreement to any other member of the Bank Group or any nominee of the foregoing without restriction provided that

if subsequently such transferee ceases to be a member of the Bank Group, such transferee shall immediately notify the Directors in writing that such event has occurred and be bound to transfer all Shares held by it to the original transferor or other member of the Bank Group.

10.6 Transfers with consent

A transfer of shares may be made to any person with the prior written consent of the (i) Investor and (ii) Shareholders (which may include the Investor) holding in aggregate not less than ninety per cent (90%) of the voting rights attaching to the issued share capital of the Company at the time when such consent is given.

10.7 Transfer by an employee benefit trust

With the prior approval of the Investor, an employee benefit trust may transfer shares to employees nominated by the Directors on terms approved by the Investor.

10.8 Cessation of required relationship

If any person to whom shares are transferred pursuant to Article 10.2 or 10.3 ceases to be a person to whom shares are permitted to be transferred pursuant to those Articles (the "**Cessation**") that person shall immediately notify the Directors in writing of the fact, and shall transfer the Relevant Shares back to the original transferor or to any other person to whom shares are permitted to be transferred by the original transferor pursuant to Articles 10.2 or 10.3 within 21 days of the Cessation. If the Relevant Shares are not duly transferred in those circumstances, a Transfer Notice will be deemed to have been served on the date of the Cessation and the Relevant Shares shall be offered to the original transferor and the price shall be certified by the Independent Expert in accordance with Article 11.3. The provisions of Article 11.8 shall apply mutatis mutandis. If the original transferor is unable or unwilling to accept the offer of the Relevant Shares within 28 days of the deemed service of the Transfer Notice pursuant to the Cessation, a Transfer Notice in accordance with Article 11 will be deemed to have been served and the provisions of Article 11 shall apply mutatis mutandis except that the Transfer Price shall be certified by the Independent

Expert in accordance with Article 11.3.

11 **Pre-emption rights**

11.1 **Service of Transfer Notice**

Any member who wishes or is required under the provisions of these Articles to sell or transfer shares or any beneficial interest in any shares (a "**Retiring Shareholder**") other than pursuant to Article 10, shall give to the Company notice in writing (a "**Transfer Notice**") specifying:

11.1.1 the number and class(es) of shares which he wishes or is required to sell or transfer (the "**Sale Shares**");

11.1.2 the name of any third party to whom he proposes to sell or transfer the shares (if any);

11.1.3 the price at which he wishes to sell or transfer the shares, and if no price is specified, the price shall be deemed to be the Transfer Price determined in accordance with this Article 11.

Where a Transfer Notice is deemed to have been given pursuant to Article 9.5, or 10.8 (*Cessation of required relationship*) or Article 13 (*Compulsory transfers*) it is referred to in these Articles as a Deemed Transfer Notice. Transfer Notices and Deemed Transfer Notices shall constitute the Company the Retiring Shareholder's agent for the sale of the Sale Shares at the Transfer Price. A Transfer Notice once given may not be withdrawn.

11.2 **Total Transfer Condition**

A Transfer Notice (but not a Deemed Transfer Notice) may contain a provision that unless all the Sale Shares are sold by the Company, none shall be and the Transfer Notice shall be withdrawn (a "**Total Transfer Condition**").

11.3 **Calculation of the Transfer Price**

11.3.1 **Transfer Price**

Subject to Article 11.4 (*Transfer Price on compulsory sales*), the

Transfer Price shall be the price agreed between the Retiring Shareholder and the Directors with the prior written consent of the Investor, provided that in default of agreement being reached within 28 days of the Transfer Notice being given, the Transfer Price shall be the price which the Independent Expert certifies to be in his opinion a fair value ("Fair Value") for the Sale Shares at the date the Transfer Notice or Deemed Transfer Notice as the case may be is given or deemed to have been given.

11.3.2 Independent Expert

The Independent Expert shall be, if the Retiring Shareholder and the Directors agree, the Auditors or, if they do not agree, a firm of independent accountants agreed between the Retiring Shareholder and the Directors (or in default of agreement) elected by the President of the Institute of Chartered Accountants in England and Wales at the request of either the Retiring Shareholder or the Directors.

11.3.3 Basis of valuation

In arriving at his opinion, the Independent Expert will value the Sale Shares on a going concern basis as between a willing buyer and a willing seller ignoring any discount or premium which may otherwise be appropriate because the Sale Shares constitute a minority or majority, as the case may be, interest in the Company and on the assumption that the Sale Shares are capable of transfer without restriction and on the assumption that the provisions of Article 29 shall apply as if there was a Realisation.

11.4 **Transfer Price on compulsory sales**

11.4.1 Bad Leaver

Whenever any Employee Shareholder ceases to be an Employee Shareholder in circumstances where he is a Bad Leaver, the Transfer Price shall be the lower of the amount paid up (or credited as paid up) in

respect of any nominal value and any share premium or the Fair Value of the Relevant Shares and those shares held by the Employee Shareholder.

11.4.2 Good Leaver

Whenever any Employee Shareholder ceases to be an Employee Shareholder in circumstances where he is a Good Leaver, the Transfer Price shall be the Fair Value agreed or certified by the Independent Expert as the case may be in accordance with Article 11.3.

11.5 Certification of the Transfer Price

Where the Independent Expert is asked to certify the Transfer Price, the certificate shall be delivered to the Company. As soon as possible after receipt the Company shall deliver a copy of the certificate to the Retiring Shareholder. The costs of obtaining the certificate shall be borne as the Independent Expert shall determine.

11.6 Pre-emptive offers

Once the Transfer Price has been agreed or certified (as the case may be) then the Sale Shares shall be offered for sale as set out below:

11.6.1 Offer to employees

The Directors shall offer all the Sale Shares at the Transfer Price to:

- (a) any person or persons (approved by the Investor) replacing (directly or indirectly) the Retiring Shareholder as an employee or director of the Company and/or any of its subsidiaries; or
- (b) a trust for the benefit of employees, the terms of which and the identity of the trustees have been approved by the Investor in writing;

Such offer shall be made within 14 days of the date the Transfer Price is agreed or certified. If no such offer is made within this period, or if there are any Sale Shares which are not sold under this Article 11.6.1 within 21

days of such offer, the Sale Shares (or those of the Sale Shares which are not already sold under this Article 11.6.1) shall be offered in accordance with the remaining provisions of this Article. The date of expiry of the 14 day period or the 21 day period, as the case may be, is referred to in this Article as the “**Relevant Date**”

11.6.2 Offer to members

(a) Within seven days of the Relevant Date the Sale Shares shall be offered by the Directors to members (other than the Retiring Shareholder and any other member who has served or who is deemed to have served a Transfer Notice which is still outstanding) as follows:

- (i) first, to the other holders of shares of the same class in accordance with the provisions of the following Articles; and
- (ii) secondly, to the holders of Equity Shares as if the same constituted one class of shares:

and shall be offered to such holders in proportion to the number of shares of that class held at that time by them respectively.

(b) Any offer made pursuant to this Article 11.6.2 shall be made by notice in writing which shall state:

- (i) the total number and class of shares being offered;
- (ii) the proportionate entitlement of the member to whom the offer is made;
- (iii) the Transfer Price;
- (iv) that each member is required to state in writing within a specified period (not being less than 21 days and not more than 42 days) how many of his proportionate entitlement of shares, if any, he is willing to take; and

- (v) that if a member does not accept such an offer within the period specified in accordance with Article 11.6.2(b)(iv), he will be deemed to have declined the offer as regards those shares.
- (c) After the period specified in the notice has expired, any shares which have been declined or are deemed to have been declined shall be offered by the Directors (the "**further offer**") to the persons holding shares of the same class who have accepted all the shares offered to them within the specified period. The further offer will be made to those persons in proportion to the number of the shares of that class held at that time by them respectively, and shall be made in similar terms, in the same manner and limited by a similar period as the original offer.
- (d) The further offer shall be repeated until such time as all the shares the subject of the further offer have been accepted or until the persons to whom shares are offered shall have declined to accept any more of them.
- (e) Any shares not accepted pursuant to the original offer or any further offer shall then be offered in like manner and upon the same terms to the holders of shares of any other class or classes of equity shares.
- (f) If there is more than one holder of any class of shares to whom any offer falls to be made pursuant to the provisions of this Article 11.6.2 and the shares on offer are to be offered to such holders in proportion to their existing holdings of shares of that class, the Director's decision as to the number of shares which shall be in proportion to or as nearly as may be in proportion to their existing holdings of shares of that class shall be conclusive final and binding.

11.6.3 Offer to Company

If the Sale Shares are subject to a Total Transfer Condition and the Shareholders together do not offer to purchase all the Sale Shares or where there is no condition but all the Sale Shares are not acquired in accordance with this Article 11.6, the Company may, with the written

consent of the Investor, within 21 days of the last day on which Sale Shares could be acquired by Shareholders, acquire those remaining Sale Shares at the Transfer Price.

11.7 Sale of Sale Shares to third parties

If the Sale Shares are subject to a Total Transfer Condition and those persons receiving offers pursuant to Article 11.6 do not accept all the Sale Shares or where there is no such condition but all the Sale Shares are not acquired in accordance with this Article 11, the Directors shall immediately so inform the *Retiring Shareholder* by notice in writing. The *Retiring Shareholder* may retain the Sale Shares (or such of them as have not been acquired in accordance with this Article 11) or, at any time within six (6) months following receipt of this notice, transfer the Sale Shares (or such as have not been so acquired) to any person on a bona fide sale, at a price not being less than the Transfer Price and on terms not materially more favourable as to timing of payment or otherwise than would apply to the existing Shareholders accepting Sale Shares in accordance with this Article 11 provided that:

11.7.1 such person or persons have been previously approved by the Investor such approval not to be unreasonably withheld unless the proposed transferee is a person reasonably considered by the Investor to be a competitor or connected with a competitor of the business of the Company and its subsidiaries;

11.7.2 the Directors may require to be satisfied that such Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument of transfer; and

11.7.3 if the Transfer Notice contained a Total Transfer Condition the *Retiring Shareholder* shall not be entitled under this Article 11.7 to transfer any Sale Shares unless the whole of such Shares are transferred by him.

11.8 **Transfer of Sale Shares**

The Directors shall in writing notify the Shareholders (including the Retiring Shareholder) of the names of the purchasers of the Sale Shares and of the number of Sale Shares they have agreed to purchase. The Retiring Shareholder shall be bound, upon receipt of the Transfer Price to transfer the Sale Shares (or such of them for which the Company shall have found a purchaser) to such persons within 14 days of notification. If a Retiring Shareholder defaults or is unable to transfer any Sale Shares to a transferee after having become bound to do so, the Directors shall authorise some person to execute any necessary transfers in favour of the transferee upon receipt of the purchase money, (provided they are lawfully able to do so) enter the name of the transferee in the register of members of the Company as the holder of the shares in question and hold the purchase money in trust for the Retiring Shareholder. The receipt of the Company for the purchase money shall be a good discharge to the transferee and the transferee shall not be bound to see to the application of it. After the name of the transferee has been entered in the register in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

12 **Limitation on transfer of control**

12.1 For the purpose of this Article:

12.1.1 the expressions "**transferor**" and "**transferee**" shall, without limitation, include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment; and

12.1.2 the expression the "**Specified Price**" shall mean a price per share at least equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees respectively for the Specified Shares to the holder or holders of those Specified Shares plus an amount equal (in the relevant proportion) to any other consideration (in cash or otherwise) received or receivable by the holder or holders of the Specified Shares 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 the Specified Shares provided that:

- (a) if any part of the price per Specified Share is payable otherwise than in cash any Shareholder holding Offer Shares may at his option elect to take a price per share of such cash sum as may be reasonably agreed by him having regard to the substance of the transaction as a whole; and
- (b) if any such sale of Specified Shares shall be made or proposed to be made to a person or persons connected (within the meaning of section 839 of ICTA) with the Shareholder or Shareholders transferring such Shares or which is not made on arm's length terms, the price shall be such price as would be equal to the Transfer Price for such Shares in the same way as if they were the subject of a Transfer Notice but so that no account shall be taken, in determining the Specified Price, of the size of the shareholding representing a minority or majority shareholding in the Company.

12.1.3 All other regulations of the Company relating to the transfer of Shares or other interests and the right to registration of transfers shall be read subject to the provision of this Article 12 but for the avoidance of doubt Articles 10, 11 and 29 shall apply to any transfer under Article 12.2.

12.2 No sale or transfer of Equity Shares or A Ordinary Shares or Deferred Shares (for the purposes of this Article 12.2 the "**Specified Shares**") shall be made other than pursuant to Article 10.4 which would result, if made and registered, in a person or persons (whether or not a body corporate) who was not or were not a Shareholder or Shareholders on the date of adoption of these Articles (or a person to whom shares are transferred under Article 10) obtaining more than 50% of a class of Equity Shares unless before the transfer is lodged for registration the proposed transferee or transferees or his or their nominees has or have made an offer (stipulated to be open for twenty eight (28) days) to purchase all of the Equity Shares and A Ordinary Shares and Deferred Shares held by all the Shareholders (the "**Offer Shares**") at the Specified Price and on the same terms

as the Specified Shares. The Shareholder to whom the offer was originally made shall procure that such offer remains open for acceptance by the holders of the Offer Shares for a period of twenty eight (28) days from the date of the said offer.

13 **Compulsory Transfers**

13.1 **Cessation of employment**

Whenever:

13.1.1 any Employee Shareholder ceases to be an employee or director of the Company or its subsidiaries and does not continue in that capacity in relation to any of them (for any reason including death); or

13.1.2 the Employee Shareholder has been incapacitated because of illness, injury or some other reason from attending to his duties for more than 180 days in any period of 365 days (ignoring any return to work of less than 28 days)

a Transfer Notice shall be deemed to have been served. Such Transfer Notice shall be in respect of all shares then held by the Employee Shareholder and all Relevant Shares held by his Permitted Transferees at the time of such event, and the provisions of Article 11 (*Pre-emption rights*) shall apply mutatis mutandis. Any Transfer Notice deemed to be given under this Article 13.1 shall be deemed also:

13.1.3 to incorporate a term that the price for the Shares and the Relevant Shares shall be the Transfer Price as calculated in accordance with Article 11.4; and

13.1.4 to incorporate a Total Transfer Condition; and

13.1.5 to be irrevocable; and

13.1.6 (in the case of death or bankruptcy) be deemed to have been given immediately prior to such death or bankruptcy.

13.2 Disenfranchisement

As from the date a Transfer Notice is deemed to have been given pursuant to Article 13.1 and until such time as the provisions of Article 11 have been complied with, the shares in respect of which such notice is given shall cease to entitle the holder thereof or any proxy to any voting rights (whether on a show of hands or on a poll) otherwise attaching to such shares or to a dividend or to any further shares by issue on transfer.

13.3 Purported transfer of Shares

If and when required by notice in writing by the Directors at the request of the holder or holders of a majority in nominal value of the other shares in the Company so to do (the "**call notice**"), a Shareholder who transfers or purports to transfer any Share in breach of the foregoing provisions of these Articles shall be bound to give a Transfer Notice in respect of all the Shares registered in the name of such Shareholder unless and to the extent that a valid transfer in respect of such Shares in favour of a person or persons to whom they may be transferred pursuant to Article 11 shall have been lodged for registration. If such Shareholder fails to serve a Transfer Notice within thirty (30) days of the date of the call notice such Shareholder shall be deemed to have given a Transfer Notice at the expiration of such period of thirty (30) days and the provisions of Article 11 shall apply mutatis mutandis save that the price for the shares shall be the Transfer Price certified in accordance with Article 11.3.

13.4 Drag-along

13.4.1 If the holders of at least eight per cent (8%) of the voting rights attaching to the Ordinary Shares (including Michael Clark for so long as he is an employee of the Company) and a simple majority of the voting rights attaching to the Preferred Ordinary Shares (for the purposes of this Article 13.4 the "**Sellers**") intend to sell all of the Equity Shares held by them (the shares to be sold by the Sellers being referred to as the "**Selling Shares**") to a bona fide purchaser on arms length terms the Sellers shall have the right, if they so wish, to give to the Company not less than fourteen (14) days' notice in advance before selling the Selling Shares.

That notice (the "**Selling Notice**") shall include details of the Selling Shares and the proposed price for each Selling Share to be paid by the proposed purchaser, the place, date and time of completion of the proposed purchase being a date not less than fourteen (14) days from the date of the Selling Notice ("**Completion**").

13.4.2 Immediately upon receipt of the Selling Notice, the Company shall give notice in writing (a "**Compulsory Sale Notice**") to each of the Shareholders (other than the Sellers), giving the details contained in the Selling Notice, requiring them each to sell to the proposed purchaser at Completion all of their holdings of Equity Shares and A Ordinary Shares and Deferred Shares.

13.4.3 If at anytime after service of a Compulsory Sale Notice under Article 13.4.2 any person becomes a holder of any Equity Shares, A Ordinary Shares or Deferred Shares upon exercise of any options, warrants or other rights to subscribe for such shares which exist at the date of the Selling Notice, then the Company shall also serve a Compulsory Sale Notice on such new holders.

13.4.4 Each Shareholder who is given a Compulsory Sale Notice shall sell all of his shares referred to in the Compulsory Sale Notice at the highest price for the same class per Selling Share to be sold to the proposed purchaser on Completion by the Sellers (and the holders of Deferred Shares shall receive 0.00000000001 pence per Deferred Share and the holders of the A Ordinary Shares shall receive an aggregate amount equal to the aggregate consideration payable at Completion for the Equity Shares divided by 99), subject only to the Sellers completing the sale to the proposed purchaser (and subject always to Article 29).

13.4.5 If any Shareholder(s) (the "**Defaulting Shareholder(s)**") fails to comply with the terms of a Compulsory Sale Notice given to him within 14 days, the Directors shall be entitled to authorise some person to execute any necessary transfers in favour of the transferee upon receipt of the purchase money, enter the name of the transferee in the register of

members of the Company as the holder of the shares in question and hold the purchase money in trust for the Defaulting Shareholder. The receipt of the Company for the purchase money shall be a good discharge to the transferee and the transferee shall not be bound to see to the application of it. After the name of the transferee has been entered in the register in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

13.4.6 Any transfer pursuant to this Article 13.4 shall not be subject to the pre-emption provisions of Article 11.

14 **General meetings**

The Directors may call general meetings and regulation 37 of Table A shall not apply to the Company.

15 **Notice of general meetings**

15.1 A notice convening a general meeting shall be required to specify the general nature of the business to be transacted only in the case of special business and regulation 38 of Table A shall be modified accordingly. The words "or a resolution appointing a person as a director" and paragraphs (a) and (b) in regulation 38 of Table A shall be deleted and the words "in accordance with section 369(3) of the Act" shall be inserted after the words "if it is so agreed" in that regulation.

15.2 All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the profit and loss account, balance sheet and the reports of the Directors and Auditors, the appointment of and the fixing of the remuneration of the Auditors and the giving or renewal of any authority in accordance with the provisions of section 80 of the Act.

15.3 Every notice convening a general meeting shall comply with the provisions of section 372(3) of the Act as to giving information to members in regard to their

right to appoint proxies; and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the Directors and to the Auditors.

16 Proceedings at general meetings

16.1 No business shall be transacted at any general meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business and at all times throughout the meeting thereafter: save as otherwise provided in these Articles two Shareholders present in person or by proxy (or, being a corporation, by representative) shall be a quorum, of whom one must be a duly authorised representative of an Investor.

16.2 If a quorum is not present within half an hour from the time appointed for a general meeting, or ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

16.3 If at an adjourned meeting a quorum for the purposes of Article 16.1 is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved, unless the meeting was adjourned for thirteen (13) days or more and due notice in such regard was given to the Shareholders within five (5) days of the adjournment whereupon the quorum at any such adjourned meeting shall be the members present in person or by proxy (or, being a corporation, by representative).

17 Votes of members

17.1 In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a second or casting vote.

17.2 Regulation 54 of Table A shall not apply to the Company. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member entitled to vote who (being an individual) is present

in person or by proxy (not being himself a member entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a member entitled to vote) shall have one vote and, on a poll, every member shall have one vote for each share of which he is the holder.

17.3 The words "be entitled to" shall be inserted between the words "shall" and "vote" in regulation 57 of Table A.

17.4 A member shall not be entitled to appoint more than one proxy to attend on the same occasion and accordingly the final sentence of regulation 59 of Table A shall not apply to the Company. Any such proxy shall be entitled to cast the votes to which he is entitled in different ways.

18 **Alternate Directors**

18.1 An alternate Director shall be entitled to receive notice of all meetings of the Directors and of all meetings of committees of the Directors of which his appointor is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him), to attend and vote at any such meeting at which the Director appointing him is not personally present and generally to perform all the functions of his appointor at such meeting as a Director in his absence. An alternate Director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct. Regulation 66 of Table A shall not apply to the Company.

18.2 A Director, or any such other person as is mentioned in regulation 65 of Table A, may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present and the final sentence of regulation 88 shall not apply to the Company.

- 18.3 Save as otherwise provided in the regulations of the Company, an alternate Director shall be deemed for the purposes specified in Article 17.1 to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him. Regulation 69 of Table A shall not apply to the Company.

19 Appointment and retirement of Directors

- 19.1 The Directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) of Table A shall not apply to the Company.
- 19.2 The Company may by ordinary resolution appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director and with the consent of the Investor, dismiss any director.
- 19.3 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number determined in accordance with Article 22.1.

20 Disqualification and removal of Directors

The office of a Director shall be vacated if:-

- 20.1 he ceases to be a director by virtue of any provision of the Act or these Articles or he becomes prohibited by law from being a director; or
- 20.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 20.3 he is, or may be, suffering from mental disorder and either:
- 20.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or

20.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

20.4 he resigns his office by notice to the Company; or

20.5 he shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated.

and regulation 81 of Table A shall not apply to the Company.

21 Gratuities and pensions

Regulation 87 of Table A shall not apply to the Company and the Directors may exercise any powers of the Company conferred by its memorandum of association to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present directors or employees (or their dependants) of the Company or any subsidiary or associated undertaking (as defined in section 27(3) of the Companies Act 1989) of the Company and the Directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

22 Proceedings of the Directors

22.1 Subject to Article 4.3.3, unless and until the Company by special resolution shall otherwise determine, the number of Directors shall not be less than two or more than nine.

22.2 The quorum necessary for the transaction of business of the Directors shall be two, at least one of whom shall be the Investor Director if at the time of the meeting the Investor Director has been appointed.

22.3 At any meeting of the Directors each Director (or his alternate Director) present at the meeting shall be entitled to one vote.

22.4 In the case of an equality of votes at any meeting of the Directors the chairman of such meeting shall not be entitled to a second or casting vote. Regulation 88 of Table A shall be modified accordingly.

22.5 Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any interest of his, a Director notwithstanding his office:

22.5.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;

22.5.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;

22.5.3 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;

22.5.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and

22.5.5 shall be entitled to vote on any resolution and (whether or not he shall vote) be counted in the quorum on any matter referred to in any of Articles 22.5.1 to 22.5.4 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall be counted.

22.6 For the purposes of Article 22.5:

22.6.1 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall not be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified;

22.6.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

22.6.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a Director shall be treated as an interest of the Director and in relation to an alternate Director an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.

22.7 Any Director including an alternate Director may participate in a meeting of the Directors or a committee of the Directors of which he is a member by means of a conference telephone or similar communications 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 and, subject to these Articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

22.8 Regulation 88 of Table A shall be amended by substituting for the sentence:- "It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom" the following sentence:- "Notice of every meeting of the Directors shall be given to each Director and his alternate, including Directors and alternate Directors who may for the time being be absent from the United Kingdom and have given the Company an address within the United Kingdom for service".

22.9 Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company.

23 **The Investor Director and Chairman**

- 23.1 The Investor shall be entitled to appoint two persons as Directors of the Company (one as the Investor Director and the other as Chairman) and to remove from office any person so appointed and (subject to such removal) to appoint another person in his place.
- 23.2 Any appointment or removal of the Investor Director or Chairman shall be by signed instrument in writing served on the Company by the Investor and shall take effect on and from the date on which such instrument is lodged or deposited at the registered office of the Company.
- 23.3 Subject to section 303 of the Act, on any resolution to remove the Investor Director or Chairman the Shares held by the Investor shall together carry at least one vote in excess of seventy five per cent (75%) of the votes exercisable in respect of that resolution at the general meeting at which such resolution is to be proposed and if any such Investor Director or Chairman is removed pursuant to section 303 of the Act the Investor may reappoint him or any other person as the Investor Director.

24 **Directors' borrowing powers**

Subject as hereinafter provided the Directors may exercise all the powers of the Company (whether express or implied):-

- 24.1 of borrowing or securing the payment of money;
- 24.2 of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts; and
- 24.3 of mortgaging or charging the property assets and uncalled capital of the Company and (subject to section 80 of the Act) of issuing debentures;

but so that:-

- 24.4 the Directors shall procure that the aggregate amount for the time being remaining undischarged by virtue of any of the foregoing operations by the Company and all subsidiaries of the Company and by virtue of any like operations by the Company and all subsidiaries of the Company (other than normal trade credit but including any liability (whether ascertained or contingent) under any guarantee for the time being in force and including amounts due under any hire purchase, credit sale, conditional sale or leasing agreements (other than operating leases or leases of real or heritable property, but including finance leases) factoring agreements or agreements to discount invoices which can in accordance with current accounting practice be attributed to capital but excluding inter-company loans, mortgages and charges) shall not without the previous sanction of the holders of seventy five per cent (75%) of the Preferred Ordinary Shares exceed a sum of £52,000,000;
- 24.5 no such sanction shall be required for the borrowing of any sum of money intended to be applied in the repayment (with or without premium) of any moneys then already borrowed and outstanding, notwithstanding that the same may result in such limit being exceeded;
- 24.6 no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this Article is observed and no debt or liability incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to whom the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed has been or was thereby exceeded; and
- 24.7 except with the previous sanction of the holders of seventy five per cent (75%) of the Preferred Ordinary Shares no mortgage or charge shall be created on any part of the undertaking property or assets of the Company or any subsidiary of the Company except for the purpose of securing moneys borrowed from any Member of an Investor's Group.

25 **The seal**

If the Company has a seal it shall be used only with the authority of the Directors or of a

committee of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one Director and by the secretary or another Director. The obligation under regulation 6 of Table A relating to the sealing of share certificates shall only apply if the Company has a seal. Regulation 101 of Table A shall not apply to the Company.

26 Notices

- 26.1 In regulation 112 of Table A, the words "by facsimile to a facsimile number supplied by the member for such purpose or" shall be inserted immediately after the words "or by sending it" and the words "first class" shall be inserted immediately before the words "post in a prepaid envelope".
- 26.2 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of forty-eight (48) hours after the envelope containing the same is posted. Where a notice is sent by facsimile receipt of the appropriate answerback shall be conclusive evidence that the notice was given and the notice shall be deemed to have been given two hours after transmission following receipt of the appropriate answerback during normal business hours (and otherwise at the opening of business on the next business day). Regulation 115 of Table A shall not apply to the Company.
- 26.3 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national daily newspaper and such notice shall be deemed to have been duly served on all members entitled to such notice at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

27 Winding up

In regulation 117 of Table A, the words "with the like sanction" shall be inserted immediately before the words "determine how the division".

28 **Indemnity**

28.1 Subject to the provisions of section 310 of the Act every Director (including an alternate Director) or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the lawful execution of the duties of his office or otherwise in relation to the duties of his office, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 144 or section 727 of the Act in which relief is granted to him by the court, and no Director (including an alternate Director) or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the lawful execution of the duties of his office or in relation to the duties of his office. Regulation 118 of Table A shall not apply to the Company.

28.2 The Directors shall have power to purchase and maintain for any Director, (including an alternate Director) officer or auditor of the Company insurance against any such liability as is referred in section 310 (1) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director (including as an alternate Director) officer or auditor.

28.3 The Directors may authorise the directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any director (including an alternate director), other officer or auditor of such company in respect of such liability, loss or expenditure as is referred to in Article 28.2.

29 **Realisation**

- 29.1 On a Realisation such number of Ordinary Shares shall immediately prior to such Realisation be converted into an equal number of Deferred Shares so that the proportion that the number of Ordinary Shares (following such conversion) bears to the number of Preferred Ordinary Shares is equal to the proportion that the Equity Proceeds would be received (having taken into account Articles 29.4 and 29.5) by the holders of the Preferred Ordinary Shares and the Ordinary Shares if distributed as set out in the table below:

Equity Proceeds	Preferred Ordinary Shares	Ordinary Shares
the amount up to the first £20 million	$\frac{65}{99}$	$\frac{34}{99}$
any amount between £20,000,000 million and £40,000,000	$\frac{57.5}{99}$	$\frac{41.5}{99}$
any amount in excess of £40,000,000	$\frac{45}{99}$	$\frac{54}{99}$

- 29.2 The Equity Proceeds shall be applied as between the holders of Equity Shares and the holders of A Ordinary Shares pro rata according to the number of Equity Shares and A Ordinary Shares held by the Shareholders following the operation of Article 29.1.
- 29.3 Any dispute as to the amount or application of the Equity Proceeds may be agreed between the holders of the Preferred Ordinary Shares and the holders of the Ordinary Shares by members holding a simple majority of the shares of those classes (whose agreement shall bind the holders of that class) (a "Relevant Majority") and in the absence of agreement shall be determined by the Auditors or a firm of independent accountants agreed by a Relevant Majority (or in default of agreement) elected by the President of the Institute of Chartered Accountants in England and Wales at the request of any shareholder. Each form of the Equity Proceeds shall be apportioned accordingly to each Shareholder's respective proportion of the whole Equity Proceeds.

29.4 On a Realisation the holders of the Deferred Shares shall be entitled to payment of £0.00000000001 per Deferred Share but shall have no further right to participate in the Equity Proceeds.

29.5 Notwithstanding any of the provisions of this Article 29, on a Realisation, the holders of the A Ordinary Shares shall be entitled to payment of 1% of the Equity Proceeds but shall have no further right to participate in the Equity Proceeds.

30 ***Intercreditor Agreement***

Where payment of any sums pursuant to these Articles is expressed to be subject to the terms of the Intercreditor Agreement, such payments may be deferred to the extent expressly set out in the Intercreditor Agreement provided that such subordination and deferral shall not affect the provisions of these Articles regarding the accrual of any such payment.