

COMPANIES ACTS 1985 TO 1989

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

OF

TYREGENICS LIMITED

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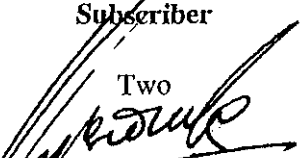
- 1 The name of the company is **Tyregenics Limited** (the Company)
- 2 The registered office of the Company is to be situated in England and Wales
- 3 The objects for which the Company is established are:
 - 3.1 to carry on any trade or business whatsoever with the power to do all such things as are incidental or conducive to the carrying on of any trade or business by it;
 - 3.2 to carry on any other business which may in the opinion of the Directors be conveniently carried on by the Company;
 - 3.3 to pay all costs, charges and expenses incurred in connection with the promotion and establishment of the Company, including the cost of advertising, commissions for underwriting, brokerage, printing and stationery;
 - 3.4 to employ brokers, commission agents and underwriters upon any issue of shares, debentures or other securities of the company and to provide for the remuneration for their services in cash, or by the issue of shares, debentures or other securities of the Company, or by the grant of options to take the same, or in any other manner allowed by law;
 - 3.5 to purchase or otherwise acquire all or any part of the business, property and liabilities of any company, society, partnership or person, and to conduct and carry on or liquidate any such business;
 - 3.6 to purchase, take on lease or otherwise acquire for the purposes of the Company any estates, lands, buildings, easements or other interests in real estate, and to sell, let or otherwise dispose of or grant rights over any real property belonging to the company;
 - 3.7 to allot and issue fully or partly paid shares or loan capital of the Company in payment or part payment for any real or personal property purchased or otherwise acquired by the Company or any services rendered to it;
 - 3.8 to purchase or otherwise acquire, construct, equip, maintain and adapt any premises and other installations and any plant, machinery and other things which may seem necessary or convenient for the purposes of the company;
 - 3.9 to apply for and take out, purchase or otherwise acquire any designs, trade marks, patents, patent rights or inventions, copyright or secret processes, and to grant licences to use the same;
 - 3.10 to manufacture, buy, sell and generally deal in any plant, machinery, tools, goods or things of any description;
 - 3.11 to let on lease or on hire the whole or any part of the real and personal property of the company on such terms as the company may determine;
 - 3.12 to issue, or guarantee the issue of, or the payment of interest on, the shares, debentures, debenture stock or other securities or obligations of any company or association, and to pay or provide for brokerage, commission and underwriting in respect of any such issue;

- 3.13 to draw, accept and make, and to endorse, discount and negotiate, bills of exchange and promissory notes and other negotiable instruments;
- 3.14 to receive money on deposit at interest or otherwise;
- 3.15 to lend or procure the advance of money with or without security;
- 3.16 to invest the money of the company in such manner as may be determined;
- 3.17 to acquire by subscription, purchase or otherwise, and to hold and sell, shares, loan capital, stock or other securities in any company, society or undertaking;
- 3.18 to borrow or raise money in any manner, and to secure the same or the repayment or performance of any debt, liability, contract, guarantee or other engagement incurred or entered into by the company, and in particular by the issue of debentures secured on all or any of the company's property (both present and future) including its uncalled capital; and to purchase, redeem or pay off any such securities.
- 3.19 to remunerate any person or company for services rendered or to be rendered in connection with the placing of any share or loan capital or other securities of the company, or in or about the organisation, formation, promotion or development of the company or its business;
- 3.20 to draw, make, accept, endorse, discount, negotiate and issue promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments;
- 3.21 to establish agencies (and local boards) in Great Britain and elsewhere, and to regulate and discontinue the same;
- 3.22 to provide for the welfare of persons in or formerly in the employment of the company or its predecessors in business, and the dependants of such persons, by grants of money, the establishment of pension schemes and benevolent funds or otherwise; and to subscribe to or otherwise aid charitable, benevolent, scientific, national or other institutions or objects, which shall have any claims to support or aid from the company by reason of the nature or locality of its operations or otherwise;
- 3.23 to enter into and carry into effect any arrangement for joint working or profit-sharing, or for amalgamation, with any other company, or any partnership or person, carrying on business so as directly or indirectly to benefit the company.
- 3.24 to enter into any arrangements with any government or authority, supreme, municipal, local or otherwise, that may seem conducive to the company's objects, or any of them; and to obtain from any such government or authority any rights, privileges, licences, contracts and concessions; and to carry out, exercise and comply with any such arrangements, rights, privileges, licences, contracts and concessions;
- 3.25 to establish, promote and otherwise assist any company or companies for the purpose of acquiring any of the property or furthering any of the objects of this company;
- 3.26 to acquire controlling or other interests in any companies, and to subsidise any company in which this company may be interested;
- 3.27 to sell, dispose of, or transfer the business, property and undertaking of the company, or any part thereof, for any consideration;
- 3.28 to accept stock or shares in, or the debentures or other securities of, any other company in payment or part payment for any services rendered or for any sale made to or debt owing from any such company;
- 3.29 to do all or any of the above things (in any part of the world) either alone or in conjunction with, or as factors, trustees or agents for, any other companies or persons, or by or through any factors, trustees or agents;
- 3.30 generally to do all such other things as may appear to the company to be incidental or conducive to the attainment of the above objects or any of them.

4 The liability of the members is limited to the amount (if any) unpaid on the shares held by them.

5 The share capital of the company is £1000 divided into 1000 shares of £1 each.

I, the person whose name and address are subscribed, wish to be formed into a company in pursuance of this memorandum of association, and I agree to take the shares in the capital of the company set opposite my name.

Name, Address and Description of Subscriber	Number of Shares taken by Subscriber
1. Terence John Lipscombe Sawmill Cottage Badger Burnhill Green Shropshire WV6 7JP	Two Signed:  Dated: 20/05/2004
Total Number of Shares	Two

Witness to the above signatures
(Please write in block capitals)

Full Name: Rochelle MacLean

Signed: R MacLean

Address 1 Bond Street
Stirchley
Birmingham
B30 2LB

Occupation: Legal Secretary

Date 20/05/2004

TYREGENICS LIMITED

ARTICLES OF ASSOCIATION

Adopted on ♦ 2nd Oct 2006

DLA Piper Rudnick Gray Cary UK LLP
Princes Exchange
Princes Square
Leeds
LS1 4BY

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Tel: +44 (0) 8700 111 111
Fax: +44 (0) 113 369 2499

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Company No. 05145761

COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

TYREGENICS LIMITED

(adopted by Special Resolution of the Company

passed on ♦ 2 Oct 2006)

1. TABLE A

Except as excluded or varied in these articles, Table A (as defined below) will apply to the Company and will be deemed to form part of these articles.

2. DEFINITIONS AND INTERPRETATION

2.1 In these articles the following words and expressions will have the following meanings:

"Acting in Concert" has the meaning given to it in the City Code on Takeovers and Mergers;

"Allocation Notice" has the meaning given in Article 8.10;

"Approved Offer" has the meaning given in Article 11.2.1;

"Auditors" means the Company's incumbent auditors;

"Bad Leaver" means a Relevant Individual who ceases to be an employee and/or director of any Group Member and who is not a Good Leaver;

"Board" means the incumbent board of Directors including the Investor Directors (if any);

"BOC" means BOC (Europe) Holdings Limited (company number 1175680);

"Business Day" means a day (which for these purposes ends at 5.30pm) on which banks are open for commercial business in the City of London other than a Saturday or Sunday;

"Buyer" has the meaning give in Article 11.1.1;

"Commencement Date" means the date on which these articles are adopted;

"Companies Act" means the Companies Act 1985 (as amended);

"Compulsory Sale Notice" means a notice served on a Compulsory Seller pursuant to Article 10.2;

"Compulsory Seller" and **"Compulsory Sellers"** have the meanings given in Article 10.2;

"Connected Person" has the meaning given in section 839 of the Income and Corporation Taxes Act 1988;

"Controlling Interest" in relation to a person means the ownership by that person and his or its Connected Persons of Equity Shares carrying the right to more than 75 per cent of the total number of votes which may be cast on a poll at a general meeting of the Company;

"Credential" means Credential Environmental Limited (company number SC223342);

"Directors" means the Company's incumbent directors;

"Drag Along Right" has the meaning given in Article 12.1;

"Electronic Communication" means any communication transmitted by way of fax or email;

"Equity Shares" means the issued shares at any time, and all shares derived from them (and any of them) whether by conversion, consolidation or sub-division or by way of rights or bonus issue or otherwise in issue;

"Extra Shares" has the meaning given in Article 8.7;

"Fieldturf" means Fieldturf Tarkett Inc (company number 336287-6);

"Good Leaver" means a Relevant Individual:

- (a) who ceases to be an employee and/or director of any Group Member as a result of his death, permanent incapacity due to ill-health (except where such ill-health arises as a result of an abuse of drink or drugs) which, in the opinion of the Board is sufficiently serious to prevent him from carrying out his normal duties, or retirement in accordance with his contract of employment; or
- (b) whose contract of employment is terminated by the Company or any member of the Group other than (i) in circumstances justifying summary dismissal or (ii) for reasons determined by the Board to relate to the performance of his duties; or
- (c) who does not fall within categories (a) and (b) above, but is determined by the Board to be a Good Leaver;

"Group" means the Company and its subsidiaries (as defined by section 736 Companies Act) from time to time and references to a **"Member of the Group"** or a **"Group Member"** will be construed accordingly;

"Investment Agreement" means an agreement dated on the Commencement Date and made between (1) the Company and (2) the Investors;

"Investor Consent" means the consent in writing of holders of Equity Shares who between them hold Equity Shares with at least 75% of the total voting rights in the Company;

"Investor Contract" means each of the Credential Contract, the BOC Supply Contract, the RTI Supply Contract and the Fieldturf Supply Contract all as defined in the Investment Agreement;

"Investor Director" means a director appointed as such pursuant to the provisions of Article 28 and clause 5.2 of the Investment Agreement;

"Investors" means each of Credential, Fieldturf, BOC and RTI Cryogenics Inc.;

"Market Value" has the meaning given in Article 9 in relation to voluntary share transfers, and in Article 10.7 in relation to compulsory share transfers;

"Member" means a registered holder of any Equity Share as recorded in the Company's register of members;

"Official List" means the official list of the UK Listing Authority;

"Ordinary Share" means an ordinary share of £1.00 in the Company;

"Other Shareholders" has the meaning given in Article 12.1;

"Proportionate Entitlement" has the meaning given in Article 8.7;

"Proposed Transferee" means a person to whom a Seller proposes to transfer Sale Shares;

"Relevant Individual" means an employee or director of any Group Member (excluding, for the avoidance of doubt, an Investor Director);

"Sale Shares" means Equity Shares which a Seller wishes to transfer;

"Seller" means any Member who wishes to transfer any Equity Shares;

"Table A" means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) and the Companies Act 1985 (Electronic Communications) Order 2000;

"Total Transfer Condition" means a condition in a Transfer Notice stipulating that such Transfer Notice is conditional upon all and not some only of the Sale Shares specified in it being sold;

"Transfer Notice" means a notice in writing by a Seller of his wish to transfer any Equity Shares;

"Transfer Price" has the meaning given in Article 8.4.

- 2.2 Words and phrases which are defined or referred to in or for the purposes of the Companies Act or Table A have the same meanings in these articles unless a contrary intention appears.

2.3 In these articles, unless a contrary intention appears:

2.3.1 words which refer to the singular number include the plural number and vice versa, words which refer to one gender include all genders, and words which refer to persons include bodies corporate and unincorporated associations;

2.3.2 reference to a statute or a statutory provision includes reference to:

2.3.2.1 the statute or statutory provision as modified or re-enacted or both from time to time; and

2.3.2.2 any subordinate legislation made under the statutory provision (as modified or re-enacted as set out above);

2.3.3 reference to a Regulation is to a regulation of Table A, and reference to an Article is to a provision of these articles;

2.3.4 reference to a "**transfer**" of Shares or any similar expression will be deemed to include (without limitation):

2.3.4.1 any sale or other disposition of the legal or equitable interest in a Share (including any voting right attached to a Share) ("**Interest**");

2.3.4.2 the creation of any mortgage, charge, pledge or other encumbrance over any Interest;

2.3.4.3 any direction by a Member entitled to an allotment or issue of Shares that a Share be allotted or issued to some person other than himself; and

2.3.4.4 any grant of an option to acquire either or both of the legal and equitable ownership of any Share by any Member entitled to any such Share;

2.3.5 reference to a "**group undertaking**" means, in relation to any undertaking, its holding company (if any) and its subsidiaries (as such terms are defined by section 736 Companies Act) and any other subsidiaries of its holding company;

2.3.6 reference to an address for the purposes of any Electronic Communication means any number or address used for the purpose of such communication; and

2.3.7 reference to "written" or "in writing" includes any method of representing or reproducing words in a legible form including, for the avoidance of doubt, *Electronic Communication*.

2.4 Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, or as to amount, whether to or in respect of Market Value of Sale Shares under Articles 9 or 10.7 or otherwise pursuant to these articles, will be referred immediately to the Auditors for final determination. If the Auditors decline to act in respect of any such referral, the matter will be determined by an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement within five Business Days after the Auditors have declined to act, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales. The Auditors or independent accountants (as the case may be) will act as expert and not as arbitrator and their costs will be borne as directed by the Article in question or, if the Article is silent on the point, as directed by the Auditors/independent accountants. In the absence of any such direction, such costs will be borne equally between parties concerned. The written certificate of the Auditors/independent accountants (as the case may be) will be conclusive and binding on the Company and the Members (except in the case of fraud or manifest error).

2.5 The headings in these articles are included for convenience only and do not affect the meaning of these articles;

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

3. SHARE CAPITAL

The authorised share capital of the Company at the date of adoption of these articles is £120,000 divided into 120,000 Ordinary Shares.

4. SHARE RIGHTS

Any Ordinary Shares which have not been paid up in full will not entitle the holder thereof to any voting rights in respect of such Ordinary Shares unless and until all amounts outstanding in respect of such Ordinary Shares have been paid up in full.

5. ISSUE AND ALLOTMENT OF NEW SHARES

5.1 Subject to Article 5.4, and unless the Company by special resolution directs otherwise, any new Equity Shares will be offered by the Directors for subscription to the holders of the Equity Shares in such proportions as equal (as nearly as possible) the proportion of Equity Shares held by them respectively at that time.

5.2 The offer will be made by notice specifying the number and class of Equity Shares offered, the price per Equity Share, and a time (being not less than 14 days) within which the offer, if not accepted, will be deemed to be declined. At the end of that period or, if earlier, on the receipt of an indication from the person(s) to whom such notice is given that he/they decline(s) to accept some or all of the Equity Shares so offered, the Directors will offer the declined Equity Shares in the same proportions to the holders of Equity Shares who have accepted all the Equity Shares initially offered to them. This further offer will be made in the same manner as the original offer but may, at the discretion of the Directors, be limited to a period of seven days after which it will (to the extent that any Equity Shares remain unaccepted) be deemed to have been withdrawn.

5.3 Any Equity Shares not taken up at the end of the procedure set out in Articles 5.1 and 5.2 may be offered by the Directors to a third party (provided Investor Consent is obtained) and, subject to these articles, the provisions of section 80 of the Companies Act and to prior Investor Consent, such Equity Shares will be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms as they think fit. However:

5.3.1 no Equity Shares will be issued at a discount;

5.3.2 no Equity Shares will be issued more than three months after the end of the period for acceptance of the last offer of such Equity Shares under Articles

5.1 and 5.2 unless the procedure set out in those Articles is repeated in respect of such Equity Shares; and

5.3.3 no Equity Shares will be issued on terms which are more favourable than those on which they were offered to the Members.

5.4 The provisions of sections 89(1) and 90(1) to (6) of the Companies Act will not apply to the Company.

5.5 If, due to any inequality between the number of new Equity Shares to be issued and the number of Equity Shares held by Members entitled to have the offer of new Equity Shares made to them, any difficulty arises in the apportionment of any such new Equity Shares amongst the Members, such difficulties will be determined by the Board.

6. TRANSFERS OF SHARES - PROHIBITED TRANSFERS

General Prohibitions

6.1 Save for a transfer of Equity Shares which is a Permitted Transfer pursuant to Article 7, the Directors will not register any transfer of Equity Shares in the period of two years from the Commencement Date.

6.2 The Directors will not register any transfer of Equity Shares to any of the following:

6.2.1 any person who, in the reasonable opinion of the Relevant Shareholders is carrying on business directly or indirectly in competition with the Company, except this restriction will not apply to:

6.2.1.1 any transfer of Equity Shares pursuant to Articles 11 and 12 (Tag Along Rights and Drag Along Rights); or

6.2.1.2 any transfer of shares to the Investors ;

For the purposes of this Article 6.2.1 "**Relevant Shareholders**" shall mean holders of Equity Shares (excluding any shareholder proposing to transfer Equity Shares which proposed transfer is subject to consideration pursuant to this Article 6.2.1) which have at least 75% of the total voting rights of all Equity Shares held by such holders of Equity Shares.

- 6.2.2 any person who does not have legal capacity to transfer such Equity Shares or otherwise to comply fully with the provisions of these Articles.

Prohibition unless in accordance with those articles

- 6.3 Subject to Articles 6.1 and 6.2, the Directors will not register a transfer of Equity Shares unless:

6.3.1 the transfer is permitted by Article 7, (Permitted Transfers), or has been made in accordance with Article 8 (Pre-emption); and

6.3.2 the proposed transferee has entered into a deed of adherence to, and in the form required by, the Investment Agreement.

- 6.4 For the purpose of ensuring that:

6.4.1 a transfer of shares is permitted under these articles; or

6.4.2 no circumstances have arisen whereby a Transfer Notice is required to be or ought to have been given; or

6.4.3 no circumstances have arisen whereby the tag along provisions are required to be or ought to have been triggered pursuant to Article 11

the Board may, require any Member to procure that any person whom the Board reasonably believes to have information relevant to such purpose provides the Company with such information and evidence as the Board acting reasonably thinks fit. Pending the provision of such information the Board will be entitled to refuse to register any relevant transfer.

- 6.5 Regulations 24 and 26 will not apply to the Company.

7. PERMITTED TRANSFERS

7.1 Where any Equity Shares are the subject of a Transfer Notice, no transfers of any such Shares shall be permitted pursuant to this Article 7.

7.2 Subject to Article 7.1, Equity Shares may be transferred:

7.2.1 by Ailsa 3 Ventures Limited to Credential or by Credential to Ailsa 3 Ventures Limited;

- 7.2.2 by BOC to any subsidiary or holding company of it or any subsidiary of such holding company (each a "Group Undertaking");
 - 7.2.3 when required by, and in accordance with, Article 10 Compulsory Transfers; or
 - 7.2.4 to a Buyer in acceptance of an Approved Offer pursuant to Article 11 (Tag Along Rights) or Article 12 (Drag Along Rights).
- 7.3 Where any transfer is made pursuant to Article 7.2.1 and following such transfer Credential and Ailsa 3 Ventures Limited cease to be Connected, the transferor will, on or before such cessation, transfer such Equity Shares to the original transferor. For these purposes "Connected" shall mean the majority of shares or voting rights in each of Credential and Ailsa 3 are owned by Andy Hinton and Nick Wyatt or Connected Persons of such persons and including any family trusts established by either of such persons.
- 7.4 Where any transfer is made pursuant to Article 7.2.2 to a Group Undertaking and the transferee ceases to be a Group Undertaking of the transferor, it will, on or before such cessation transfer such Equity Shares to the original transferor or to another Group Undertaking of the original transferor.

8. PRE-EMPTION

Transfer Notices

- 8.1 Except in the case of a transfer pursuant to Article 7 (Permitted Transfers), and subject to the prohibitions on transfers set out in Article 6, a Seller must give a Transfer Notice to the Company.
- 8.2 Each Transfer Notice will specify:
- 8.2.1 the number and class of Sale Shares;
 - 8.2.2 the identity of the Proposed Transferee (if any);
 - 8.2.3 the price per Equity Share at which the Seller wishes to transfer the Sale Shares; and

8.2.4 whether or not the Transfer Notice is subject to a Total Transfer Condition. In the absence of any such stipulation it will be deemed not to be so conditional. No Total Transfer Condition will apply in respect of any Transfer Notice deemed to have been given pursuant to Article 10.

8.3 No Transfer Notice will be capable of variation or cancellation without consent of the Board.

Transfer Price

8.4 The Transfer Notice will constitute the Company as the agent of the Seller for the transfer of the Sale Shares in accordance with this Article 8 at the following price ("**Transfer Price**"):

8.4.1 with the consent of the holders of Equity Shares (excluding for these purposes Sale Shares) (the "**Non-Transferring Shareholders**") which Equity Shares have at least 75% of the voting rights of all Equity Shares held by the Non-Transferring Shareholders ("**Transfer Consent**"), the price specified in the Transfer Notice; or

8.4.2 the price as may be agreed between the Seller and the Board (subject to the prior Transfer Consent) within 10 Business Days after the date of service or deemed service of the Transfer Notice; or

8.4.3 in default of agreement under Article 8.4.2 the lower of:

8.4.3.1 the price per Equity Share specified in the Transfer Notice; and

8.4.3.2 if the Board elects within 15 Business Days after the date of service or deemed service of the Transfer Notice to instruct the Auditors for the purpose, the Market Value of the Sale Shares as at the date of service or deemed service of the Transfer Notice, and as determined in accordance with Articles 2.4 and 9.

Offer to Members

8.5 Within 10 Business Days after its receipt of a Transfer Notice or, where later, on the determination of the Transfer Price, the Company (in its capacity as agent for the Seller) will give notice in writing to each of the Members (other than the Seller and

any other Member who has served or who is deemed to have served a Transfer Notice in respect of his entire holding of Equity Shares pursuant to which the sale of such Equity Shares has not then been concluded) offering the Sale Shares for sale at the Transfer Price in accordance with Articles 8.6 and 8.7. The notice will specify that the Members will have a period of up to 20 Business Days from the date of such notice within which to apply for some or all of the Sale Shares.

- 8.6 All Members to whom the offer is made must, before making their applications for Sale Shares and in any event within 20 Business Days from the date of the notice given by the Company, notify the Company in writing of whether they intend to accept the offer and, if so, the number of Sale Shares, including Extra Shares, for which they intend to apply.
- 8.7 If there is competition for the Sale Shares, such Sale Shares will be treated as offered among the holders in proportion (as nearly as possible) to their existing holdings of Equity Shares ("**Proportionate Entitlement**"). However, the offer will also invite Members to indicate in their applications for Sale Shares, whether they would be willing to buy Equity Shares in excess of their Proportionate Entitlement should any such Equity Shares be available and, if so, how many ("**Extra Shares**").

Allocation of Shares

- 8.8 After the expiry of the offer period specified in clause 8.5, (or, if sooner, upon valid applications being received for all of the Sale Shares in accordance with that clause), the Board will allocate the Sale Shares as follows:
- 8.8.1 if the total number of Sale Shares applied for (including Extra Shares) is equal to or less than the available number of Sale Shares, each offeree will be allocated the number applied for in accordance with his application (subject to clause 8.11); or
- 8.8.2 if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each offeree will be allocated his Proportionate Entitlement, or, if less, the number of Sale Shares which he has applied for; and
- 8.8.3 applications for Extra Shares will be allocated pro rata in accordance with such applications.

- 8.9 Allocations of Sale Shares made by the Company pursuant to this clause 8 will constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them, provided that no person will be obliged to take more than the maximum number of Sale Shares which he has indicated to the Company he is willing to purchase.

Completion of sale and purchase of Sale Shares

- 8.10 The Company will immediately upon allocating any Sale Shares give notice in writing ("**Allocation Notice**") to the Seller and to each person to whom Sale Shares have been allocated specifying:

- 8.10.1 the number of Sale Shares so allocated;
- 8.10.2 the aggregate price payable for them;
- 8.10.3 any additional information required by clause 8.11.1 (if applicable); and
- 8.10.4 (subject to clause 8.11.1) the place and time (being not later than five Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares will be completed.
- 8.10.5 Subject to clause 8.11, completion of the sale and purchase of Sale Shares in accordance with the Allocation Notice will take place at the place and time specified in the Allocation Notice when the Seller will, upon payment of the due price, transfer those Sale Shares specified in the Allocation Notice and deliver the relevant Share certificates to the persons to whom they have been allocated.

- 8.11 If the Transfer Notice included a Total Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares:

- 8.11.1 the Allocation Notice will refer to such Total Transfer Condition and will contain a further offer, open for 28 days, to those persons to whom Sale Shares have been allocated to apply for further Sale Shares; and
- 8.11.2 completion of the transfer in accordance with clauses 8.6 to 8.11 (inclusive) will be conditional upon all such Sale Shares being so allocated.

Default by the Seller

8.12 If the Seller fails by the due completion date to execute and deliver transfers in respect of any of the Sale Shares which he is due to transfer, the Board may authorise any Director to:

8.12.1 execute the necessary transfer(s) on the Seller's behalf; and

8.12.2 against receipt by the Company of the Transfer Price payable for the relevant Sale Shares (to be held on trust for the Seller without interest) (the receipt being a good discharge to the offeree who will not be bound to see to the application of it), deliver such transfer(s) to the relevant offeree(s).

The Board will authorise registration of the transfer(s), and of the offeree(s) as the holder(s) of the Sale Shares so transferred, once appropriate stamp duty has been paid. After registration, the title of such offeree(s) as registered holder(s) of such Sale Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person.

Exhaustion of pre-emption rights - rights and restrictions with regard to sale to third party

8.13 Immediately after the exhaustion of any pre-emption process followed in accordance with these articles, if any Sale Shares remain unallocated, the Company will notify the Seller of that fact. The Seller may, at any time within 90 days after receiving such notice (but not otherwise unless the pre-emption procedure set out in these articles is repeated), transfer any unsold Sale Shares to the Proposed Transferee at any price which is not less than the Transfer Price, except that:

8.13.1 the Board will refuse registration of any transfer to a Proposed Transferee who is a person to whom Shares may not be transferred by virtue of Articles 6.2.1 or 6.2.2;

8.13.2 if any such transfer would, if made and registered, result in the Proposed Transferee obtaining or increasing a Controlling Interest, the Board will refuse registration of such transfer until such time as an Approved Offer has been made and the provisions of Article 11 (Tag Along Rights) complied with;

8.13.3 if the Seller included a Total Transfer Condition in the Transfer Notice which has not been satisfied, the Seller will be entitled to transfer all (but not some only) of the Sale Shares;

8.13.4 and the Board may require to be satisfied (in such manner as it or they may reasonably think fit) that the Sale Shares are being sold at a price which is not less than the Transfer Price without any deduction, rebate or allowance whatsoever. If not so satisfied, the Board may refuse to register the transfer.

8.13.5 in the case of any deemed transfer process pursuant to Article 10, the Compulsory Seller will not be entitled to transfer any unsold Sale Shares to any third party.

9. VALUATION

Determination of "Market Value"

If the Auditors (or, by virtue of Article 2.4, independent accountants) are required to determine Market Value pursuant to Article 8.4.3.2, the provisions set out below will apply.

9.1 Market Value will be determined by the Auditors or, as the case may be, independent accountants, first valuing the Company as a whole:

9.1.1 assuming, if the Company is then carrying on business as a going concern, that it will continue to do so;

9.1.2 assuming that the entire issued share capital of the Company is being sold as between a willing buyer and a willing seller by arm's-length private treaty for cash payable in full on completion;

9.1.3 taking account of any Equity Shares which may be allotted pursuant to options which have been issued by the Company and which are still outstanding;

9.1.4 taking account of any bona fide offer for the Company received from an unconnected third party within six months prior to the Transfer Notice being served or deemed to have been served.

9.2 Having valued the Company as a whole, the Auditors or, as the case may be, independent accountants will determine the Market Value of the Equity Shares concerned as between a willing buyer and a willing Seller:

9.2.1 disregarding whether the Equity Shares concerned represent a majority or a minority interest;

9.2.2 taking account of the rights and restrictions attached to the Equity Shares concerned in respect of income, capital and transfer; and

9.2.3 having regard to the terms of any bona fide offer received by the Seller in respect of all or any of the Sale Shares.

9.3 The costs and expenses of the Auditors (or independent accountants) for reporting on their opinion of the Market Value will be borne as to one half by the Seller and as to other half by the purchasing Shareholders pro-rata to the number of Sale Shares purchased by them unless:

9.3.1 the Seller revokes the transfer notice under Article 8.3; or

9.3.2 none of the Sale Shares are purchased by Members pursuant to Article 8

in which case the Seller will pay all such costs and expenses.

10. COMPULSORY TRANSFERS

Circumstances which trigger compulsory transfer

10.1 This Article 10 applies when:

10.1.1 a Member commits a breach of the Investment Agreement which the Remaining Members determine (acting reasonably) to be a material breach ("Material Breach") ("Remaining Members Determination"). For the purpose of this Article 10.1.1 and Article 10.2 "Remaining Members" shall mean the holders of Equity Shares (excluding the Member which it is alleged has committed a breach of the Investment Agreement), holding Equity Shares which have at least 75% of the total voting rights of all Equity Shares held by such holders of Equity Shares.

10.1.2 a Relevant Individual who holds Equity Shares ceases for any reason (including death or bankruptcy) to be an employee and/or director of any member of the Group.

10.1.3 the Company has terminated an Investor Contract as a result of the Investor who is party to such Investor Contract ("**Defaulting Shareholder** ") being in material breach thereof, in circumstances where the holders of Equity Shares (excluding the Defaulting Shareholder) ("**Non Defaulting Shareholders**") which shares have at least 75% of the voting rights of all shares held by Non Defaulting Shareholders have given the Defaulting Shareholder the opportunity to make representations but notwithstanding such representations, such Non Defaulting Shareholders reasonably consider that the continued involvement of the Defaulting Shareholder will materially prejudice the ability of the Company to secure replacement services for those provided by the Defaulting Shareholder pursuant to the Investor Contract (and notwithstanding that the Defaulting Shareholder may have agreed not to have access to any confidential information relating to the party proposing to provide such replacement services).

Compulsory Pre-emption Procedure

10.2 Within one month of the date of the Material Breach or the date of termination of the Investor Contract (such date to be determined by Remaining Member Determination) or, within one month of the date on which the Relevant Individual ceases to be an employee or director of any Group Member for any reason (as the case may be) ("**Cessation Date**"), the Board may (and will if it receives a request so to do by Remaining Members serve notice ("**Compulsory Sale Notice**") on the Member who has committed the Material Breach or the Relevant Individual or the Defaulting Shareholder (as the case may be) ("**Compulsory Seller**") requiring the Compulsory Seller to offer all of the Equity Shares registered in its or his name or to which it or he is or may become entitled whether as a result of its holding of Equity Shares or otherwise.

10.3 The Equity Shares which are the subject of the Compulsory Sale Notice will be offered for sale (other than to any Compulsory Seller or any other Member who has served or who is deemed to have served a Transfer Notice in respect of his entire holding of Shares which is still outstanding) in accordance with the provisions of

Article 8, which will apply as if set out in full in this Article except to the extent that they are varied by the following provisions of this Article 10. The Board may so determine to revoke any Transfer Notice previously given or deemed to have been given by the Compulsory Seller(s) which is still outstanding at the Cessation Date.

Sale Price

10.4 The price for the Sale Shares will, in the case of a Compulsory Seller who has committed a Material Breach, be a sum equal to 80 per cent of the Market Value of the Sale Shares to be agreed or determined in accordance with Articles 2.4 and 10.7

10.5 The price for the Sale Shares in the case of a Compulsory Seller who is a Relevant Individual will be:

10.5.1 if the Cessation Date is less than two years after the Commencement Date or, if later, if the Relevant Individual is a Bad Leaver, the lower of:

10.5.1.1 the issue price (including any premium) of the Sale Shares (or, where any of the Sale Shares were acquired by a Compulsory Seller by way of transfer rather than allotment, the lower of the issue price (including any premium) and the amount paid by such Compulsory Seller on the transfer); and

10.5.1.2 the Market Value of the Sale Shares on the Cessation Date to be agreed or determined in accordance with Articles 2.4 and 10.6 or;

10.5.2 if the Cessation Date is at least two years after the Commencement Date and the Relevant Individual is a Good Leaver, the price will be the Market Value of the Sale Shares on the Cessation Date, to be agreed or determined as aforesaid; or

10.5.3 whenever the Cessation Date occurs, if such cessation follows a reasonable determination by the Directors that the Relevant Individual has been guilty of dishonesty, the lower of the Market Value of the Sale Shares on the Cessation Date, to be agreed or determined as aforesaid and 1p per Sale Share.

10.6 The price for the Sale Shares in the case of a Defaulting Shareholder shall be the Market Value of such Sale Shares.

10.7 **"Market Value"** for the purposes of Article 10 will be:

10.7.1 the price agreed between the Compulsory Seller(s) and a majority in number of the Investor Directors; or

10.7.2 if they fail to agree a price within 15 Business Days of the date of service of the Compulsory Sale Notice, the price determined by the Auditors (or independent accountant) to be the Market Value of such Shares on the Cessation Date, according to the principles set out in Article 9.

Suspension of voting rights during compulsory transfer procedure

10.8 Any Equity Shares held by a Compulsory Seller on the Cessation Date (and any Equity Shares issued to a Compulsory Seller after such date by virtue of the exercise of any right or option granted or arising by virtue of his holding of the Sale Shares) will cease to confer the right to be entitled to receive notice of, attend and vote at any general meeting of the Company, with effect from the Cessation Date (or, where appropriate, the date of issue of such Equity Shares, if later), and such Equity Shares will not be counted in determining the total number of votes which may be cast at any such meeting, or for the purposes of a written resolution of any Members or class of Members. That right will be restored immediately upon the Company registering a transfer of the Sale Shares in accordance with this Article 10.

Transmission of shares

10.9 Regulations 29 to 31 shall take effect subject to Articles 10.10 and 10.11.

10.10 Without prejudice to Article 10.1 (the provisions of which, when operable, will override the provisions of this Article 10.10 and the provisions of Articles 10.9 and 10.11), a person entitled to an Equity Share or Equity Shares in consequence of the death, bankruptcy, receivership or liquidation of a Member or otherwise by operation of law shall be bound at any time, if called upon in writing to do so by the Directors not later than 90 days after the Directors receive notice from the person concerned that he has become so entitled, to give a Transfer Notice (without specifying a Transfer Price) in respect of all of the Equity Shares then registered in

the name of the deceased or insolvent Member in accordance with the provisions of Article 8, which will apply as if set out in full in this Article.

10.11 If any such person fails to give a Transfer Notice in accordance with Article 10.10 within 10 Business Days after being called upon to do so:

10.11.1 the Board may authorise any Director to execute and deliver a transfer of the Equity Shares concerned to a person appointed by the Directors as a nominee for the person entitled to the Equity Shares; and

10.11.2 the Company may give a good receipt for the purchase price of such Equity Shares, register the purchaser or purchasers as the holders of them and issue certificates for the same to such purchasers. After registration, the title of such purchaser or purchasers as registered holder(s) of such Equity Shares will not be affected by any irregularity in, or invalidity of, such proceedings, which will not be questioned by any person. In any such case the person entitled to the Equity Shares as a consequence of the death, insolvency or otherwise by operation of law will be bound to deliver up the certificates for the Equity Shares concerned to the Company whereupon he will become entitled to receive the purchase price. In the meantime, the purchase price will be held by the Company on trust for such person without interest.

11. CHANGE OF CONTROL - TAG ALONG RIGHTS

11.1 With the exception of transfers of Equity Shares pursuant to Article 7 (Permitted Transfers), no transfer of Equity Shares which would result, if made and registered, in a person or persons Acting in Concert obtaining or increasing a Controlling Interest, will be made or registered unless:

11.1.1 an Approved Offer is made by the proposed transferee(s) ("**Buyer**"); and

11.1.2 the Buyer complies in all respects with the terms of the Approved Offer at the time of completion of the sale and purchase of Equity Shares pursuant to it.

11.2 For the purposes of this Article 11 and Article 12:

11.2.1 **"Approved Offer"** means a bona fide offer in writing served on all Members holding Equity Shares (including the proposing transferor), from a third party not being an Investor or any party which is a Connected Person of any Investor offering to purchase all the Equity Shares held by such Members (including any Equity Shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into Equity Shares in existence at the date of such offer) which:

11.2.1.1 is stipulated to be open for acceptance for at least 15 Business Days;

11.2.1.2 offers the same or equivalent consideration for each Equity Share (whether in cash, securities or otherwise in any combination), provided that a reduction, withholding or retention of consideration to take account of tax payable or which might be payable by a Member who is an individual employed by the Company or an affiliate of the Company or by his employing company in relation to the conversion of securities, the exercise of an option over Equity Shares, and/or the disposal of Equity Shares shall not prejudice the application of this paragraph;

11.2.1.3 includes an undertaking by or on behalf of the Buyer that, no other consideration, (whether in cash or otherwise) is to be received or receivable by any Member 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 Equity Shares to be sold by such Member, and that neither the Buyer nor any person acting by agreement or understanding with it has otherwise entered into more favourable terms or has agreed more favourable terms with any other Member for the purchase of Equity Shares;

11.2.1.4 is on terms that the sale and purchase of Equity Shares in respect of which the offer is accepted will be completed at the same time.

12. CHANGE OF CONTROL - DRAG ALONG RIGHTS

- 12.1 Whenever an Approved Offer is made, the holders of 75% or more of the Equity Shares shall have the right ("**Drag Along Right**") to require (in the manner set out in Article 12.2) all of the holders of Equity Shares including persons who acquire Equity Shares following the making of the Approved Offer pursuant to the exercise of options or conversion of securities ("**Other Shareholders**") to accept the Approved Offer in full.
- 12.2 The Drag Along Right may be exercised by the service of notice to that effect on the Other Shareholders at the same time as, or within five Business Days following the making of the Approved Offer (or, if later, within five Business Days following the acquisition by the relevant Other Shareholder of any Equity Shares). Such notice will be accompanied by all documents required to be executed by the Other Shareholders to give effect to the relevant transfer.
- 12.3 On the exercise of the Drag Along Right, each of the Other Shareholders will be bound to accept the Approved Offer in respect of its entire holding of Equity Shares and to comply with the obligations assumed by virtue of such acceptance.
- 12.4 If any of the Other Shareholders fails to accept the Approved Offer or, having accepted such offer, fails to complete the sale of any of its Equity Shares pursuant to the Approved Offer, or otherwise fails to take any action required of it under the terms of the Approved Offer, any holder of Equity Shares or any persons so authorised by the Board with the consent of a majority in number of the Investor Directors may accept the offer on behalf of the Other Shareholder in question, or undertake any action required under the terms of the Approved Offer on the part of the Other Shareholder in question. In particular, such person may execute the necessary transfer(s) on that Other Shareholder's behalf and against:
- 12.4.1 receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the relevant Equity Shares (the receipt being a good discharge to the Buyer, who will not be bound to see to the application of it); and
- 12.4.2 compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer

deliver such transfer(s) to the Buyer (or its nominee). The Board will then authorise registration of the transfer(s) and of the Buyer (or its nominee) as the holder of the Shares so transferred. After registration, the title of the Buyer (or its nominee) as registered holder of such Equity Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person. The Other Shareholder will in such a case be bound to deliver up its certificate for its Equity Shares to the Company, or a statutory declaration of loss (as appropriate) whereupon the Other Shareholder will be entitled to receive the purchase price for such Equity Shares.

13. ELECTRONIC COMMUNICATION

Regulation 1 is modified by deleting the definition given of "electronic communication" and substituting in its place the definition given in these articles.

14. SHARE CERTIFICATES

Regulation 6 is modified by adding after "Every certificate shall be sealed with the seal" the words "or executed in such other manner as the Directors authorise, having regard to the Companies Act,".

15. LIEN

15.1 Regulation 8 is modified by the deletion of the words "(not being a fully paid share)".

15.2 The lien conferred by Regulation 8 will apply to all Equity Shares, whether fully paid or not, and to all Equity Shares registered in the name of any person under a liability to the Company (whether actual or contingent), whether he is the sole registered holder of such Shares or one of two or more joint holders of such Equity Shares.

16. GENERAL MEETINGS

16.1 Regulation 37 is modified by the deletion of the words "eight weeks" and the substitution for them of the words "28 days", and by the insertion of the words "or the Investor Directors acting alone" after the second word of that Regulation.

16.2 A general meeting may consist of a conference between Members, some or all of whom are in different places if each Member who participates is able:

16.2.1 to hear each of the other participating Members addressing the meeting; and

16.2.2 if he so wishes, to address all of the other participating Members simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when these articles are adopted or not) or by a combination of those methods.

A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Members required to form a quorum. A meeting held in this way is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. A resolution put to the vote of a meeting will be decided by each Member indicating to the chairman (in such manner as the chairman may direct) whether the Member votes in favour of or against the resolution or abstains. References in this Article 16 to Members includes their duly appointed proxies and, in the case of corporate members, their duly authorised representatives.

17. PROCEEDINGS AT GENERAL MEETINGS

17.1 If any meeting is adjourned pursuant to Regulation 41 because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the shareholders present will form a quorum. Regulation 41 is modified accordingly.

17.2 Regulation 46 is modified so that a poll may be demanded by the chairman or by any Member present in person or by proxy and entitled to vote at the meeting.

17.3 A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised is entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member.

17.4 In the case of on equality of votes, whether on a show of hands or on a poll, the chairman will not be entitled to a casting vote in addition to any other vote which he may have.

17.5 Regulation 51 is amended by replacing the first and second sentences with the following words: "A poll demanded will be taken immediately".

17.6 Regulation 53 is modified by the addition of the following sentence at the end: "If such a resolution in writing is described as a special resolution or as an extraordinary resolution or as an elective resolution, it will have effect accordingly."

18. VOTES OF MEMBERS

18.1 Regulation 54 is modified so that:

18.1.1 a proxy will be entitled to vote whether on a show of hands or on a poll; and

18.1.2 a duly authorised representative of a corporate Member will be entitled to vote on its behalf whether on a show of hands or on a poll, and whether or not such duly authorised representative is also a Member entitled to vote.

18.2 Regulation 57 is modified by the inclusion after the word "shall" of the phrase", unless the Directors otherwise determine,".

18.3 Regulation 59 is modified by the addition of the following sentence at the end: "Deposit of an instrument of proxy will not preclude a Member from attending and voting at the meeting or at any adjournment of the meeting."

18.4 Regulation 62 is modified by the deletion in paragraph (a) of the words "deposited at" and by the substitution for them of the words "left at or sent by post to".

19. NUMBER OF DIRECTORS

Unless and until otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) will be not less than two nor more than five.

20. ALTERNATE DIRECTORS

20.1 Any Director may each appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director. Regulation 65 is modified so

that any such appointment does not need to be approved by resolution of the Directors. In Regulation 67 the words "but, if" and the words which follow to the end of the Regulation are deleted.

- 20.2 Regulation 66 is modified so that an alternate director who is absent from the United Kingdom is entitled to receive notice of all meetings of Directors and of committees of Directors of which his appointor is a member. An alternate director may waive the requirement that notice be given to him of a meeting of Directors or of a committee of Directors of which his appointor is a member, either prospectively or retrospectively.
- 20.3 The first sentence of Regulation 66 is modified so that an alternate director will not be entitled as such to receive any remuneration from the Company although he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as his appointor may direct by notice in writing to the Company.
- 20.4 An alternate director will be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director.
- 20.5 An alternate director's appointment will determine if he resigns by written notice left at or sent to the registered office of the Company.
- 20.6 A director, or any other person mentioned in Regulation 65, may act as an alternate director to represent more than one Director, and an alternate director will be entitled at any meeting of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he will count as only one person for the purpose of determining whether a quorum is present.
- 20.7 Regulation 68 is modified by the addition at the end of the first sentence of the following sentence: "Any such notice may be left at or sent by post or facsimile transmission to the office or another place designated for the purpose by the Directors."

21. DELEGATION OF DIRECTOR'S POWERS

Regulation 72 is modified by the addition at the end of the Regulation of the following sentence: "Where a provision of these articles refers to the exercise of a power, authority or discretion by the Directors and that power, authority or discretion has been delegated by the

Directors to a committee, the provision must be construed as permitting the exercise of the power, authority or discretion by the committee."

22. APPOINTMENT AND RETIREMENT OF DIRECTORS

- 22.1 No person will be disqualified from being appointed a Director and no Director will be required to vacate that office by reason only of the fact that he has attained the age of 70 years or any other age.
- 22.2 A Director will not retire by rotation and a Director appointed to fill a vacancy or as an additional director will not retire from office at the annual general meeting next following his appointment. Regulations 73 to 78 (inclusive) and 80 will not apply to the Company, reference in Regulations 67 and 84 to retirement by rotation will be disregarded and the last two sentences of Regulation 79 are deleted.
- 22.3 Regulation 81(e) will not apply to the Investor Directors.
- 22.4 By giving notice to the Company, the holder or holders of such number of Equity Shares as give the right to not less than 75% of votes at general meeting of the Company may appoint or remove any Director (excluding an Investor Director) from office and/or appoint any person to be a Director (excluding an Investor Director). The notice must be signed by or on behalf of such holder or holders (and may consist of several documents in similar form each signed by or on behalf of one or more holders) and must be left at or sent by post or fax to the registered office or such other place designated by the Directors for the purpose. Such removal or appointment will take effect when the notice is received by the Company or on such later date (if any) as may be specified in the notice.

23. DISQUALIFICATION AND REMOVAL OF DIRECTORS

The office of a Director will be vacated if:

- 23.1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a director;
- 23.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;

- 23.3 he becomes, in the reasonable opinion of all his co-Directors, incapable by reason of mental disorder of discharging his duties as Director;
- 23.4 he resigns his office by notice in writing to the Company;
- 23.5 (other than in the case of the Investor Directors) he has for more than six consecutive months been absent without permission of the Directors from meetings of Directors held during that period and his alternate director (if any) has not during that period attended any such meetings instead of him, and the Directors resolve that his office be vacated;
- 23.6 (other than in the case of the Investor Director(s)) he is removed from office by notice addressed to him at his last-known address and signed by all his co-Directors;
- 23.7 he is removed from office by notice given by a member or members (or Investor Directors, as the case may be) under Article 22.4; or
- 23.8 being an executive Director he ceases, for whatever reason, to be employed by any member of the Group.

24. DIRECTORS' APPOINTMENTS AND INTERESTS

- 24.1 Regulation 84 is modified by addition of the words: "with the consent of the Investor(s)" after the words "the directors" and before the words "may appoint" in the first sentence, and after the words "the directors" and before the word "determine" and after the words "as they" and before the words "think fit" in the second sentence.
- 24.2 Regulation 85 is modified by the addition of the words: "and except in the case of the Investor Director(s), to the consent of the Investor(s)" after the words "provisions of the Act" and before the words ", and provided that he has disclosed" in the first sentence.

25. DIRECTOR'S GRATUITIES AND PENSIONS

Regulation 87 is modified by the addition of the words: "with the consent of the Investor(s)" after the words "The directors" and before the words "may provide benefits" in the first sentence.

26. BORROWING POWERS

The Directors may exercise all the powers of the Company (whether express or implied) to borrow and/or secure the payment of money, to guarantee the payment of money, the fulfilment of obligations and the performance of contracts and to mortgage or charge the property, assets and uncalled capital of the Company, and (subject to section 80 of the Companies Act) to issue debentures, debenture stock and all other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

27. PROCEEDINGS OF DIRECTORS

- 27.1 In the case of an equality of votes, the chairman will not have a second or casting vote.
- 27.2 Regulation 88 is modified by the exclusion of the third sentence and the substitution for it of the following sentences: "Every Director will receive notice of a meeting, whether or not he is absent from the United Kingdom. A Director may waive the requirement that notice be given to him of a meeting of Directors or a committee of Directors, either prospectively or retrospectively" and by the addition of the word "not" between the words "shall" and "have" in the fourth sentence.
- 27.3 The quorum necessary for the transaction of business at any meeting of the Directors will be three, each being an Investor Director appointed in accordance with the Investment Agreement and Regulation 89 will be modified accordingly. If any meeting of the Directors is inquorate, provided that at least 14 days notice of the meeting has been properly given to each Investor Director and the only business conducted at such meeting is that detailed in such notice, then those Directors present will constitute a quorum.
- 27.4 Any Director or alternate may participate in a meeting of the Board or a committee of the Directors by means of conference telephone or similar communications equipment if all persons participating in the meeting can hear and speak to each other throughout the meeting, and any Director or member of a committee participating in a meeting in this manner is deemed to be present in person at such meeting and will be counted when reckoning a quorum.

27.5 Without prejudice to the obligation of any Director to disclose his interest in accordance with section 317 of the Act, a Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty provided that he has first obtained the consent of the Investors holding 75% or more of the Equity Shares. The Director will be counted in the quorum present when any such resolution is under consideration and if he votes, his vote will be counted.

28. INVESTOR DIRECTORS

28.1 So long as Credential, Fieldturf or BOC as the case may be hold Shares which Shares carry at least 10% of the voting rights in the Company then Credential, Fieldturf or BOC (as the case may be) will have the right to appoint one person as a non-executive Director of the Company (each an "Investor Director") but:

28.1.1 in each case not more than one person may hold such office at any one time on behalf of each of Credential, Fieldturf and BOC;

28.1.2 any such appointment must be effected by notice in writing to the Company by the appointing party who may in a similar manner remove from office any Investor Director appointed by it pursuant to this Article, and appoint any person in place of any Investor Director so removed or who had died or otherwise vacated office as such;

28.1.3 subject to section 303 of the Companies Act, on any resolution to remove an Investor Director, the Equity Shares held by the Investor who has appointed the Investor Director the subject of such resolution will together carry one vote in excess of fifty per cent of all the other votes exercisable at the general meeting at which such resolution is to be proposed, and if any such Investor Director is removed pursuant to section 303 of the Companies Act or otherwise, the appointing Investor may reappoint him or any other person as an Investor Director.

28.2 The Investor Director(s) will be entitled to be appointed to the board of directors of any member of the Group and to any committee of the board of any member of the Group.

29. DIVIDENDS

Regulation 103 is modified by the addition of the following words: "with the consent of the Investors" after the words "the directors" in the first sentence.

30. NOTICES

30.1 Any notice or other document to be served or delivered to or by any person pursuant to these articles (other than a notice calling a meeting of the Directors) shall be in writing and shall be delivered in accordance with Article 30.2.

30.2 Any notice or other document may only be served on, or delivered to, any Member by the Company or by any other Member:

30.2.1 personally;

30.2.2 by sending it through the post in a prepaid envelope addressed to the Member at his registered address (whether such address is in the United Kingdom or otherwise);

30.2.3 by delivery of it by hand to or leaving it at that address in an envelope addressed to the Member; or

30.2.4 except in the case of a share certificate and only if an address has been specified by the Member for such purpose, by Electronic Communication.

30.3 In the case of joint holders of an Equity Share, all notices and other documents shall be given to the person named first in the register in respect of the joint holding, and notice so given shall be sufficient notice to all joint holders.

30.4 Any notice or other document may only be served on, or delivered to, the Company by anyone:

30.4.1 by sending it through the post in a prepaid envelope addressed to the Company or any officer of the Company at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company;

30.4.2 by delivering it by hand to its registered office or such other place in the United Kingdom as may from time to time be specified by the Company; or

30.4.3 if an address has been specified by the Company for such purpose (and in the case of an appointment of a proxy such address has been specified in a document or other communication referred to in Regulation 62), by Electronic Communication.

30.5 Any notice or other document (other than the appointment of a proxy):

30.5.1 addressed to the recipient in the manner prescribed by these articles shall, if sent by post, be deemed to have been served or delivered:

30.5.1.1 (if prepaid as first class) 96 hours after it was posted; and

30.5.1.2 (if prepaid as second class) 120 hours after it was posted;

30.5.2 not sent by post, but delivered by hand to or left at an address in accordance with these articles, shall be deemed to have been served or delivered on the day it was so delivered or left;

30.5.3 sent by Electronic Communication shall be deemed to have been served or delivered 24 hours after it was sent, and in proving such service it shall be sufficient to produce (in the case of a fax) a transaction report or log generated by a fax machine which evidences the fax transmission and (in the case of an e-mail) a confirmation setting out the total number of recipients sent to or each recipient to whom the message was sent as the case may be.

30.6 Regulations 111, 112 and 115 will not apply to the Company.

31. INDEMNITIES

Subject to the provisions of the Companies Act but without prejudice to any indemnity to which he may otherwise be entitled every Director alternate director secretary and other officer or employee of the Company will be indemnified out of the assets of the Company against any liability (other than any liability arising out of the Investment Agreement) sustained or incurred by him in defending any proceedings whether civil or criminal relating to his conduct as an officer or employee of the Company 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 Companies Act in which relief is granted to him by the Court. Regulation 118 will not apply to the Company.