

Company Number: 5466039

THE COMPANIES ACT 1985  
(as amended)

---

PRIVATE COMPANY LIMITED BY SHARES

---

WRITTEN RESOLUTION

OF

EUROTEL HOLDINGS LIMITED  
(the "Company")

Passed 1 July June 2005

In accordance with Regulation 53 of Table A as defined and incorporated in the Company's Articles of Association, We, Eurotel YA Limited, being the sole member of the Company who would have been entitled to vote upon the following resolution if it had been proposed at a general meeting of the Company at which we were present, **RESOLVE** that the following resolution shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held:

SPECIAL RESOLUTION

Approval of New Articles

**THAT** the existing Articles of Association of the Company be and are hereby deleted in their entirety and that new Articles of Association in the form attached to this resolution be and are hereby adopted in place thereof.

Dated: 1 July 2005

  
.....  
EUROTEL YA LIMITED



Company No. 5466039

YK  
R  
JLK  
RR

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

---

ARTICLES OF ASSOCIATION  
OF  
EUROTEL HOLDINGS LIMITED  
INCORPORATED ON 27 MAY 2005

ADOPTED BY SPECIAL RESOLUTION  
PASSED ON 1 JULY 2005

---

## TABLE OF CONTENTS

	Page
1. INTERPRETATION.....	1
2. TABLE A.....	5
3. SHARE CAPITAL.....	5
4. DIRECTORS .....	5
5. PROVISIONS APPLYING ON EVERY TRANSFER OF SHARES .....	6
6. TRANSFER RESTRICTIONS FOR SHAREHOLDERS .....	6
7. COMPULSORY TRANSFER.....	7
8. PRE-EMPTION RIGHTS ON ISSUE AND TRANSFER.....	10
9. TAG-ALONG .....	13
10. DRAG-ALONG RIGHTS .....	16
11. GENERAL PROVISIONS .....	17

## 1. INTERPRETATION

1.1 The following words and expressions shall bear the following meanings in these Articles:

- |                          |   |
|--------------------------|---|
| <b>Auditors</b>          | the auditors of the Company from time to time   |
| <b>Board</b>             | the board of directors of the Company from time to time or any duly authorised committee of such board  |
| <b>Category 1 Leaver</b> | <p>a person:</p> <ul style="list-style-type: none"><li>(a) whose employment is summarily terminated by the Company or a member of the Group in accordance with:<ul style="list-style-type: none"><li>(i) in the case of an Executive, clauses 14.1.1, 14.1.2 or 14.1.4 of his employment contract entered into on the date of adoption of these Articles;</li><li>(ii) in the case of any other employee, pursuant to the summary dismissal provisions of the relevant employment contract</li></ul></li><li>(b) who ceases to be employed in circumstances where he has voluntarily resigned from his employment on or before 30 June 2006,</li></ul> <p>unless, in each case the Board exercises its discretion to treat such a person as a Category 2 Leaver</p> |
| <b>Category 2 Leaver</b> | <p>a person:</p> <ul style="list-style-type: none"><li>(a) whose contract of employment is terminated by reason of death, permanent ill-health or disability or retirement at normal retirement age;</li><li>(b) whose contract of employment has been terminated by the relevant member of the Group (other than in circumstances justifying summary dismissal); or</li><li>(c) any person whom the Board determine in their absolute discretion to be a</li></ul>   |

	Category 2 Leaver
Category 3 Leaver	a person who ceases to be employed by the Company or a member of the Group in circumstances where he has voluntarily resigned from his employment after 30 June 2006
connected	in the context of determining whether one person is connected with another shall be determined in accordance with the provisions of section 839 of ICTA and a " <b>person connected</b> " with another person shall be construed accordingly
Executives	Anthony Rex, Philip Allingan and Jonathan Rodmell and " <b>Executive</b> " shall mean any one of them
Executive Director	defined in Article 4.5 of these Articles
FSMA	the Financial Services and Markets Act 2000 as amended or its successor legislation
Family Trust	a trust (whether arising under a settlement, declaration or trust, testamentary disposition or on an intestacy) in respect of which the only beneficiaries (and the only persons capable of being beneficiaries) are the Ordinary Shareholder who established the trust and/or his or her parent or spouse and/or his or her lineal descendants by blood or adoption or step-children
Group	the Company and its subsidiary undertakings from time to time and " <b>member of the Group</b> " is to be construed accordingly
ICTA	the Income and Corporation Taxes Act 1988
Investor Directors	any director appointed as such pursuant to Article 4 and " <b>Investor Directors</b> " shall be construed accordingly
Investor	as defined in the Shareholders' Agreement
investment trust	a company which has been approved by the Inland Revenue as an investment trust for the purposes of section 842 of ICTA in respect of its most recent accounting period
Issue Price	the aggregate of the amount paid up (or credited as paid up) and any amount credited to

Company No. 5466039

YK  
RR  
JLK  
16

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

---

ARTICLES OF ASSOCIATION  
OF  
EUROTEL HOLDINGS LIMITED  
INCORPORATED ON 27 MAY 2005

ADOPTED BY SPECIAL RESOLUTION  
PASSED ON 1 JULY 2005

---

## TABLE OF CONTENTS

	Page
1. INTERPRETATION.....	1
2. TABLE A.....	5
3. SHARE CAPITAL.....	5
4. DIRECTORS .....	5
5. PROVISIONS APPLYING ON EVERY TRANSFER OF SHARES .....	6
6. TRANSFER RESTRICTIONS FOR SHAREHOLDERS .....	6
7. COMPULSORY TRANSFER.....	7
8. PRE-EMPTION RIGHTS ON ISSUE AND TRANSFER.....	10
9. TAG-ALONG .....	13
10. DRAG-ALONG RIGHTS .....	16
11. GENERAL PROVISIONS .....	17

## 1. INTERPRETATION

1.1 The following words and expressions shall bear the following meanings in these Articles:

- |                          |   |
|--------------------------|---|
| <b>Auditors</b>          | the auditors of the Company from time to time   |
| <b>Board</b>             | the board of directors of the Company from time to time or any duly authorised committee of such board  |
| <b>Category 1 Leaver</b> | <p>a person:</p> <ul style="list-style-type: none"><li>(a) whose employment is summarily terminated by the Company or a member of the Group in accordance with:<ul style="list-style-type: none"><li>(i) in the case of an Executive, clauses 14.1.1, 14.1.2 or 14.1.4 of his employment contract entered into on the date of adoption of these Articles;</li><li>(ii) in the case of any other employee, pursuant to the summary dismissal provisions of the relevant employment contract</li></ul></li><li>(b) who ceases to be employed in circumstances where he has voluntarily resigned from his employment on or before 30 June 2006,</li></ul> <p>unless, in each case the Board exercises its discretion to treat such a person as a Category 2 Leaver</p> |
| <b>Category 2 Leaver</b> | <p>a person:</p> <ul style="list-style-type: none"><li>(a) whose contract of employment is terminated by reason of death, permanent ill-health or disability or retirement at normal retirement age;</li><li>(b) whose contract of employment has been terminated by the relevant member of the Group (other than in circumstances justifying summary dismissal); or</li><li>(c) any person whom the Board determine in their absolute discretion to be a</li></ul>   |



	Category 2 Leaver
Category 3 Leaver	a person who ceases to be employed by the Company or a member of the Group in circumstances where he has voluntarily resigned from his employment after 30 June 2006
connected	in the context of determining whether one person is connected with another shall be determined in accordance with the provisions of section 839 of ICTA and a " <b>person connected</b> " with another person shall be construed accordingly
Executives	Anthony Rex, Philip Allingan and Jonathan Rodmell and " <b>Executive</b> " shall mean any one of them
Executive Director	defined in Article 4.5 of these Articles
FSMA	the Financial Services and Markets Act 2000 as amended or its successor legislation
Family Trust	a trust (whether arising under a settlement, declaration or trust, testamentary disposition or on an intestacy) in respect of which the only beneficiaries (and the only persons capable of being beneficiaries) are the Ordinary Shareholder who established the trust and/or his or her parent or spouse and/or his or her lineal descendants by blood or adoption or step-children
Group	the Company and its subsidiary undertakings from time to time and " <b>member of the Group</b> " is to be construed accordingly
ICTA	the Income and Corporation Taxes Act 1988
Investor Directors	any director appointed as such pursuant to Article 4 and " <b>Investor Directors</b> " shall be construed accordingly
Investor	as defined in the Shareholders' Agreement
investment trust	a company which has been approved by the Inland Revenue as an investment trust for the purposes of section 842 of ICTA in respect of its most recent accounting period
Issue Price	the aggregate of the amount paid up (or credited as paid up) and any amount credited to

**Listing**

the share premium account on the relevant share in the capital of the Company

either:

- (a) together the admission of any of the Company's shares to the Official List of the UKLA becoming effective (in accordance with paragraph 7.1 of the rules made by the UKLA pursuant to section 74 FSMA, as amended or its successor legislation) and the admission of any of the Company's shares to trading on the LSE's market for listed securities (in accordance with paragraph 2.1 of the Admission and Disclosure Standards of the LSE as amended from time to time);
- (b) the admission to trading of any of the Company's shares on the Alternative Investment Market of the LSE becoming effective; or
- (c) equivalent admission to trading to or permission to deal on any other recognised investment exchange becoming effective

**Loan Notes**

the secured "A" loan notes 2011 to be issued by the Company pursuant to an instrument in the agreed form issued pursuant to the terms of the "A" Loan Note Instrument and the secured loan notes 2015 to be issued by the Company pursuant to an instrument in the agreed form issued pursuant to the terms of the "B" Loan Note Instrument

**LSE**

the London Stock Exchange plc

**Majority Investor(s)**

the holder(s) of 50 per cent or more in number of the Ordinary Shares from time to time in issue

**Market Value**

in relation to a share, the price which the Auditors confirm in writing to be in their opinion the market value of the shares concerned on the basis of a sale as between a willing seller and a willing purchaser and, in

determining such market value, the Auditors shall be instructed in particular:

- (a) to have regard to the rights and restrictions attached to such shares in respect of income and capital but not any restrictions as to transfer; and
- (b) if the Company is then carrying on business as a going concern, to assume that it will continue to do so

**Ordinary Shareholders**

a person entered into the register of members of the Company as the holder of an Ordinary Share

**Ordinary Shares**

ordinary shares of £0.10 each in the capital of the Company in issue from time to time taken together

**Shareholders' Agreement**

the subscription and shareholders' agreement dated July 2005 made between (1) the Company, (2) the Executives (3) David Dey and (4) the Investor, as amended from time to time

**Table A**

Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (S.I. 1985 No. 805) (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (S.I. 1985 No. 1052))

**UKLA**

the United Kingdom Listing Authority

- 1.2 The headings in these Articles shall not affect the construction of these Articles.
- 1.3 Unless the contrary intention appears, words importing the singular number include the plural number and vice versa, words importing one gender include all genders and words importing persons include bodies corporate and unincorporated associations.
- 1.4 A reference in these Articles to a "**transfer**" of shares or any similar expression shall be deemed to include (without limitation):
  - 1.4.1 any sale or other disposition of the legal or equitable interest in a share (including any voting right attached to a share) (an "**Interest**");
  - 1.4.2 the creation of any mortgage, charge, pledge or other encumbrance over any Interest;

- 1.4.3 the renunciation of a right to be allotted a share by any member entitled to any such allotment;
  - 1.4.4 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
  - 1.4.5 any grant of an option to acquire either or both of the legal and equitable ownership of any share in the capital of the Company by any member entitled to any such share.
- 1.5 Where an ordinary resolution of the Company is required for any purpose, a special or an extraordinary resolution is also effective for that purpose, and where an extraordinary resolution is required for any purpose, a special resolution is also effective for that purpose.

## **2. TABLE A**

- 2.1 The regulations contained in Table A apply to the Company except to the extent that they are excluded or modified by these Articles.
- 2.2 The first sentence of Regulation 24 and Regulations 38, 50, 60, 61, 64, 73 to 78 (inclusive), 80, 81, 90, 94 to 98 (inclusive), 115 and 118 of Table A do not apply.

## **3. SHARE CAPITAL**

The authorised share capital of the Company at the date of adoption of these Articles is £1,500 divided into 15,000 Ordinary Shares of £0.10 each.

## **4. DIRECTORS**

- 4.1 The Majority Investors are entitled to appoint three directors to the Board (each such director being an “**Investor Director**”) with each such director being entitled to cast two votes at all Board meetings (or board meetings of any member of the Group) (and as a member of each and any committee of the Board) and are entitled to remove any such director and appoint another person in their place. The initial appointment shall be made pursuant to the Shareholders’ Agreement. Subsequent appointments and removals shall be made by written notice served on the Company. Each such appointment and removal shall take effect forthwith upon such notice being received by the Company.
- 4.2 The Majority Investors shall also have the right to appoint each Investor Director to the board of directors of any subsidiary undertaking of the Company and to any committee of the board of any member of the Group and the provisions of Article 4.1 relating to notice shall apply mutatis mutandis to any such appointment.

- 4.3 Each Investor Director is entitled to all costs and expenses incurred by him in connection with his office as a director.
- 4.4 The Majority Investors are also entitled to appoint and remove any person (and to appoint another person in his place) as an observer to attend all meetings of the Board. Any such person shall be entitled to receive notice of such meetings of the Board as if he was a director of the board. Any such appointments and removals shall be made by written notice served on the Company.
- 4.5 Each Executive is entitled to appoint one director to the Board (each such director being an “**Executive Director**”) and is entitled to remove any such director appointed by the relevant Executive and appoint another director in their place provided that this right shall cease when the relevant Executive ceases to be an employee of the Company or a member of the Group. The initial appointment shall be made pursuant to the Shareholders’ Agreement. Subsequent appointments and removals shall be made by written notice on the Company. Each such appointment and removal shall take effect forthwith upon such notice being received by the Company.
- 4.6 The Executive shall also have the right to appoint each Executive Director to the board of directors on any member of the Group and the provisions of Article 4.5 shall apply mutatis mutandis to any such appointment.

## **5. PROVISIONS APPLYING ON EVERY TRANSFER OF SHARES**

- 5.1 The directors shall not register a transfer of Ordinary Shares (other than a transfer for security purposes in which case the directors shall have no discretion and this Article shall not apply) unless the transfer is permitted by Articles 6 or 8 or has been made in accordance with Articles 7 or 9 to 11 (inclusive).
- 5.2 Subject to Article 5.1, Ordinary Shareholders are not entitled to transfer Ordinary Shares unless the transfer is permitted by Articles 6 or 8 or has been made in accordance with Articles 7 or 9 to 11 (inclusive).
- 5.3 For the purpose of ensuring that a transfer of Ordinary Shares is permitted under these Articles or that no circumstances have arisen whereby a notice is required to be or ought to have been given under these Articles or that an offer is required to be or ought to have been made pursuant to Article 9.3.1, the Board may, and shall if so requested by the Investor Directors, require any shareholder to procure that such person as the Board or the Investor Directors may reasonably believe to have information relevant to such purpose, provides the Company with such information and evidence as the Board or the Investor Directors may think fit regarding any matter which they deem relevant to such purpose.

## **6. TRANSFER RESTRICTIONS FOR SHAREHOLDERS**

No Ordinary Shares may be transferred other than:

- 6.1 with the written consent of two of the Investor Directors;

- 6.2 to the trustee or trustees of a Family Trust **PROVIDED THAT** the trustee or trustees of any such Family Trust shall not be entitled to transfer Ordinary Shares pursuant to this Article 6.2 other than to the new or remaining trustees of the Family Trust upon a change of trustees **PROVIDED FURTHER THAT** no such transfer by the trustees of a Family Trust shall be made except with the prior consent of the Majority Investors and where such consent is requested such consent shall be given when the Majority Investors are reasonably satisfied with the identity of the replacement trustees of such trust but shall not be unreasonably withheld or delayed. If any Family Trust whose trustees hold Ordinary Shares ceases to be a Family Trust, the trustees shall be deemed to have transferred the Ordinary Shares held by the Family Trust to the original settlor;
- 6.3 when required by Article 7;
- 6.4 to the personal representatives or beneficiaries of an Ordinary Shareholder who has died and who was a director an employee of any member of the Group once the Ordinary Shareholder's personal representatives for beneficiaries can no longer be bound to sell those shares pursuant to Article 7;
- 6.5 on and after Listing in accordance with the provisions of any underwriting agreement entered into in connection with the Listing;
- 6.6 in acceptance of an offer by a proposed transferee made under Article 9;
- 6.7 when required by Article 10;
- 6.8 to the Company in accordance with the provisions of the Act;
- 6.9 in the case of a Ordinary Shareholder which holds Ordinary Shares as a nominee, to the person on whose behalf it holds such shares as nominee or to another person acting as nominee of such person;
- 6.10 in the case of a Ordinary Shareholder which is an investment trust, to another investment trust which is also managed by the manager of the Ordinary Shareholder; or
- 6.11 to any other Investor.

## **7. COMPULSORY TRANSFER**

- 7.1 This Article applies when an employee or director of any member of the Group who:

7.1.1 is an Ordinary Shareholder; and/or

7.1.2 has established a Family Trust which holds Ordinary Shares, or has transferred Ordinary Shares to a Family Trust

is declared bankrupt or ceases for any reason to be an employee or director of any member of the Group and is not continuing to be an employee or director of any other member of the Group.

7.2 Within three months after the date of such declaration or termination (the “**Relevant Date**”), the Investor Directors may serve notice (the “**Sale Notice**”) on the Ordinary Shareholder (or his personal representatives in the event of his death) and/or each trustee of his Family Trust (each a “**Compulsory Seller**” and together the “**Compulsory Sellers**”) requiring such person to offer some or all of the Ordinary Shares of which such person is the registered holder or to which he is entitled whether as a result of his holding of Ordinary Shares or otherwise (the “**Sale Shares**”) to:

7.2.1 a person or persons intended to take the employee’s place;

7.2.2 any of the existing employees of any member of the Group;

7.2.3 an employees’ share scheme of the Group; or

7.2.4 any other person or persons approved by the Investor Directors

(each an “**Offeree**”). The Sale Notice may reserve to the Investor Directors the right to finalise the identity of the Offeree(s) once the price for the Sale Shares has been agreed or certified.

7.3 The Sale Shares shall be transferred by the Compulsory Seller to the Offeree(s) identified by the Investor Directors free from all liens, charges and other encumbrances and together with all rights attaching to the Sale Shares on the terms set out in Articles 7.4 to 7.8 (inclusive).

7.4 The price for each Sale Share (the “**Sale Price**”) shall be the price agreed between the Compulsory Seller and the Investor Directors or, if they do not agree a price within 14 days of the date of the Sale Notice, the price certified by the Auditors, acting as experts and not as arbitrators, to be:

7.4.1 the lower of (1) the Issue Price of a Sale Share (or where the Sale Shares were originally acquired by the Compulsory Seller by way of transfer rather than allotment, the lower of the Issue Price and the amount paid by such Compulsory Seller on a transfer) and (2) Market Value of a Sale Share on the Relevant Date if the Compulsory Seller is a Category 1 Leaver;

7.4.2 the Market Value of a Sale Share on the Relevant Date if the Compulsory Seller is a Category 2 Leaver;

7.4.3 in the event that the Compulsory Seller is a Category 3 Leaver:

(a) 25% of the Sale Shares at Market Value on the Relevant Date with the balance of Sale Shares to be the lower of (1) the Issue Price of a Sale Share (or where the Sale Shares were originally acquired by the Compulsory Seller by way of transfer rather than allotment, the lower of the Issue Price and the amount paid by such Compulsory Seller on a transfer) and (2) Market Value of a Sale Share on the Relevant Date if the Compulsory

Seller becomes a Category 3 Leaver between 30 June 2006 and 30 June 2007;

- (b) 50% of the Sale Shares at Market Value on the Relevant Date with the balance of Sale Shares to be the lower of (1) the Issue Price of a Sale Share (or where the Sale Shares were originally acquired by the Compulsory Seller by way of transfer rather than allotment, the lower of the Issue Price and the amount paid by such Compulsory Seller on a transfer) and (2) Market Value of a Sale Share on the Relevant Date if the Compulsory Seller becomes a Category 3 Leaver between 30 June 2007 and 30 June 2008;
- (c) 75% of the Sale Shares at Market Value on the Relevant Date with the balance of Sale Shares to be the lower of (1) the Issue Price of a Sale Share (or where the Sale Shares were originally acquired by the Compulsory Seller by way of transfer rather than allotment, the lower of the Issue Price and the amount paid by such Compulsory Seller on a transfer) and (2) Market Value of a Sale Share on the Relevant Date if the Compulsory Seller becomes a Category 3 Leaver between 30 June 2008 and 30 June 2009; and
- (d) 100% of the Sale Shares at Market Value on the Relevant Date if the Compulsory Seller becomes a Category 3 Leaver after 30 June 2009.

The Auditors shall be instructed to certify the price as soon as possible after being instructed by the Company to do so and their decision shall be final and binding on the parties (save in the case of fraud or manifest error). The costs of the Auditors shall be paid by the Company.

7.5 Within 7 days of the Sale Price being agreed or certified:

7.5.1 the Company shall notify the Compulsory Seller of the name and address of the Offeree and the number of Sale Shares to be offered to such person; and

7.5.2 the Company shall serve notice on the Offeree specifying:

- (a) the number of Sale Shares on offer to him;
- (b) the Sale Price; and
- (c) the date, between 7 and 14 days after the date of the notice, on which the sale and purchase of the Sale Shares is to be completed (the "**Completion Date**").

7.6 The Compulsory Seller shall deliver to the Company a duly executed stock transfer form in respect of the Sale Shares together with the relevant share certificates (or an indemnity in respect thereof in a form satisfactory to the Board) by the Completion Date. On the Completion Date, the Company shall pay the aggregate Sale Price due to the Compulsory



Seller, on behalf of the Offeree, to the extent the Offeree has put the Company in the requisite funds. Such payment shall be made in a manner to be agreed between the Company and the Compulsory Seller or, in the absence of such agreement, by cheque to its registered address. The Company's receipt for the aggregate Sale Price shall be a good discharge to the Offeree. The Company shall hold the aggregate Sale Price in trust for the Compulsory Seller without any obligation to pay interest.

- 7.7 If a Compulsory Seller fails to deliver to the Company by the Completion Date duly executed stock transfer forms for all of the Sale Shares which he is due to transfer the Board may (and shall if requested by the Investor Directors) authorise any director to execute, complete and deliver in the name of and as agent for the Compulsory Seller a transfer of the Sale Shares to the relevant Offeree to the extent the Offeree has, by the Completion Date, put the Company in funds to pay the aggregate Sale Price for the Sale Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Compulsory Seller shall surrender to the Company his share certificate (or, where appropriate, provide an indemnity in respect thereof in a form satisfactory to the Board) for the Sale Shares whereupon he shall be entitled to the aggregate Sale Price for the Sale Shares transferred by him.
- 7.8 Unless the Investor Directors stipulate otherwise in writing, any shares held by a Compulsory Seller on the Relevant Date (and any shares issued to a Compulsory Seller after the Relevant Date whether by virtue of the exercise of any right or option granted or arising by virtue of the holding of the Sale Shares by the Compulsory Seller) shall cease to confer the right to be entitled to receive notice of or to attend or vote at any general meeting of the Company or at any meeting of the holders of any class of shares in the capital of the Company with effect from the Relevant Date (or, where appropriate, the date of issue of such shares, if later) and such shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members. Such right shall be restored immediately upon the Company registering a transfer of the Sale Shares pursuant to these Articles (other than Article 6).
- 7.9 No Ordinary Shares to which this Article applies shall be transferred pursuant to Article 6 until the relevant Ordinary Shareholder can no longer be bound to sell them under this Article.

## **8. PRE-EMPTION RIGHTS ON ISSUE AND TRANSFER**

- 8.1 Subject to any direction to the contrary which may be given by ordinary or other resolution of the Company any agreement between the holders and any statutory provisions, the unissued shares (whether forming part of the present or any increased capital) shall be at the disposal of the Board who are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 to allot relevant securities up to the maximum amount and for the period set out in article 8.2.
- 8.2 The maximum amount of relevant securities that may be the subject of allotment under such authority shall be the amount by which the nominal amount of the authorised share

capital of the Company exceeded the nominal amount of the issued share capital of the Company immediately prior to the adoption of these Articles; unless renewed, such authority shall expire on the date five years from the date immediately preceding that on which the resolution adopting these Articles was passed save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Board may allot the relevant securities in pursuance of such offer or agreement accordingly.

- 8.3 The pre-emption provisions of section 89(1) of the Companies Act 1985 shall not apply to the Company.
- 8.4 An Ordinary Shareholder who wishes to transfer any Ordinary Shares in circumstances other than those referred to in Articles 6 or 7 (a "**Selling Shareholder**") shall serve written notice on the Company (the "**Sale Notice**") stating the number of shares it wishes to transfer (the "**Sale Share**") and its asking price for each share (the "**Asking Price**").
- 8.5 The Selling Shareholder may specify in the Sale Notice that:
  - 8.5.1 it is only willing to transfer all the Sale Shares, in which case no Sale Shares can be sold unless offers are received for all of them; and/or
  - 8.5.2 the Sale Shares can only be transferred if a specified proportion of all Ordinary Shares in issue are transferred at the same time.
- 8.6 The Sale Notice shall make the Company the agent of the Selling Shareholder for the sale of the Sale Shares on the terms set out in the Sale Notice and on the following additional terms in each case, which the Company shall notify in writing to the other Ordinary Shareholders within 7 days of the date of the Sale Notice:
  - 8.6.1 the Sale Shares are to be sold free from all liens, charges and other encumbrances and together with all rights attaching to them;
  - 8.6.2 each of the other Ordinary Shareholders is entitled to buy such number of Sale Shares as reflects, as nearly as possible, the nominal amount of their holdings of Ordinary Shares at the date of the Sale Notice; an Ordinary Shareholder is entitled to buy fewer Sale Shares than his proportional entitlement;
  - 8.6.3 Ordinary Shareholders may offer to buy any number of the Ordinary Shares that are not accepted by the other Ordinary Shareholders (the "**Excess Shares**");
  - 8.6.4 any offer by the Ordinary Shareholders to buy some or all of the Sale Shares shall be made in writing to the Company within 21 days of the date of the Company's notice (the "**Closing Date**"), failing which the Ordinary Shareholder shall be deemed to have declined the offer; and
  - 8.6.5 on the Closing Date:
    - (a) the Sale Notice shall become irrevocable; and

- (b) each offer made by a Ordinary Shareholder to acquire Sale Shares shall become irrevocable.

- 8.7 If the Company receives offers for more Ordinary Shares than the number of Sale Shares, each Ordinary Shareholder who offered to buy Excess Shares shall be deemed (so far as practicable and without exceeding the number of shares which each such Ordinary Shareholder shall have offered to purchase) to have offered to purchase a number of Excess Shares reflecting, as nearly as possible, the number of Excess Shares he offered to buy as a proportion of the total number of Excess Shares for which offers were received.
- 8.8 Within 7 days after the Closing Date, the Company shall notify the result of the offer to the Selling Shareholder and to those Ordinary Shareholders who offered to buy Sale Shares and, if any Sale Shares are to be sold pursuant to the offer:
  - 8.8.1 the Company shall notify the Selling Shareholder in writing of the names and addresses of the Ordinary Shareholders who are to buy Sale Shares and the number to be bought by each;
  - 8.8.2 the Company shall notify each Ordinary Shareholder in writing of the number of Sale Shares he is to buy; and
  - 8.8.3 the Company's notices shall state a place and time, between 7 and 14 days after the date of the notice, on which the sale and purchase of the Sale Shares is to be completed and the Selling Shareholder shall be obliged to transfer such Sale Shares upon payment of the Asking Price for each such share. However, if the Sale Notice specifies that the Selling Shareholder is only willing to transfer all the Sale Shares and the Company does not receive offers for all the Sale Shares, then the provisions of Article 8.10 shall apply.
- 8.9 If the Selling Shareholder fails to transfer any Sale Shares in accordance with Article 8.8, the Board may (and shall if so requested by the Investor Directors) authorise any director to execute, complete and deliver in the name of and as agent for the Selling Shareholder, a transfer of the Sale Shares to the Ordinary Shareholders concerned against receipt by the Company of the aggregate Asking Price due from the Ordinary Shareholder(s) concerned. The Company shall hold such sums in trust for the Selling Shareholder without any obligation to pay interest. The Company's receipt of the aggregate Asking Price due from a Ordinary Shareholder in respect of the Sale Shares to be acquired by him shall be a good discharge to the relevant Ordinary Shareholder. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Selling Shareholder shall surrender to the Company his share certificate (or, where appropriate, provide an indemnity in respect thereof in a form satisfactory to the Board) for the Sale Shares to be transferred by him whereupon he shall be entitled to the Asking Price for the relevant Sale Shares. If such certificate shall comprise any shares which the Selling Shareholder has not become bound to transfer as aforesaid, the Company shall issue to the Selling Shareholder a new certificate for such shares.

8.10 If, by the Closing Date, the Company has not received offers for all the Sale Shares, the Selling Shareholder may within the next two months transfer the Sale Shares for which offers were not received (or, if the Sale Notice stated that he was only willing to transfer all the Sale Shares, all the Sale Shares) to any person at no less than the Asking Price and otherwise on terms no more favourable than those specified in the Sale Notice **PROVIDED THAT:**

8.10.1 the Board shall be entitled to refuse registration of any proposed transferee if he is reasonably considered by the Majority Investors to be a competitor of the business of the Group or a person connected with such a competitor (or a nominee of either);

8.10.2 if the Selling Shareholder stipulated in the Sale Notice that he was only willing to transfer all the Sale Shares, the Selling Shareholder shall not be entitled, without the written consent of the Majority Investors, to sell only some of the Sale Shares to such person or persons;

8.10.3 the Board shall refuse registration of the proposed transferee if such transfer obliges the Selling Shareholder to procure the making of an offer pursuant to Article 9.3.2, until such offer has been made and completed; and

8.10.4 the Board may require to be satisfied that those shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to the purchaser and, if not so satisfied, may refuse to register the instrument of transfer (without prejudice, however, to the Board's absolute discretion to refuse to approve or register any transfer of shares in the circumstances described in Article 5.1).

## 9. TAG-ALONG

9.1 This Article applies in circumstances other than those referred to in Article 9.2 when a transfer of Ordinary Shares would, if registered, result in a person and any other person:

9.1.1 who is connected with him; or

9.1.2 with whom he is acting in concert, as defined in the City Code on Takeovers and Mergers;

(each being "**a member of the purchasing group**") holding or increasing a holding of Ordinary Shares carrying the right to 50 per cent. or more of the total number of votes which may be cast on a poll at a general meeting of the Company.

9.2 This Article does not apply if the transfer of shares is:

9.2.1 permitted by Articles 6.2 to 6.7 (inclusive);

9.2.2 permitted by Articles 7.2 to 7.9 (inclusive) and Articles 7.11 and 7.12;

- 9.2.3 to a person who is an original party to the Shareholders' Agreement as an Investor.
- 9.3 No transfer to which this Article applies may be made or registered unless the proposed transferee has made an offer in writing (the "Offer"):
- 9.3.1 to buy all the other Ordinary Shares (including any Ordinary Shares which may be allotted during the offer period or upon the Offer becoming unconditional pursuant to the exercise or conversion of options over or rights to subscribe for securities convertible into Ordinary Shares in existence at the date of such offer) on the terms set out in Articles 9.4 and 9.5 (if applicable) (unless, in the case of a particular Ordinary Shareholders less favourable terms are agreed by such Ordinary Shareholder in writing);
- 9.3.2 to transfer at par all Loan Notes held by any recipient of an Offer at the same time as acquiring the Ordinary Shares subject to the Offer; and
- 9.3.3 the Offer is or has become wholly unconditional.
- 9.4 Any transfer of Ordinary Shares pursuant to this Article shall not be subject to any other restrictions on transfer contained in the remaining Articles.
- 9.5 The terms of the proposed transferee's Offer shall be that:
- 9.5.1 the Offer shall be open for acceptance for at least 21 days; and
- 9.5.2 the consideration for each Ordinary Share and each Ordinary Share shall be the higher of:
- (a) the highest consideration offered for each Ordinary Share whose proposed transfer has led to the Offer; and
- (b) the highest consideration paid by any member of the purchasing group for an Ordinary Share in the twelve months up to the date of the Offer (exclusive of stamp duty, stamp duty reserve tax and commission);
- and such offer shall include an undertaking by the offeror that neither it nor any person acting by agreement or understanding with it has entered into more favourable terms as to consideration or has agreed more favourable terms as to consideration with any other member for the purchase of Ordinary Shares;
- 9.5.3 the consideration for the Loan Notes shall be the par value of such loan notes.
- 9.6 The proposed transferee's Offer may be conditional on the Offer resulting in members of the purchasing group holding or increasing their aggregate shareholding to a specified proportion of the Ordinary Shares in issue.
- 9.7 Any dispute on the appropriate consideration for an Ordinary Share required under Article 9.5 shall be referred by the Company to the Auditors, acting as experts and not as

arbitrators. The decision of the Auditors shall be final and binding on the parties (save in the case of fraud or manifest error). The Auditors' terms of reference shall be to determine the matters in dispute within 30 days of their appointment and the parties shall each provide the Auditors with all information relating to the consideration which the Auditors reasonably require and the Auditors shall be entitled (to the extent they consider it appropriate) to base their determination on such information. The proposed transferee shall pay half the Auditors' costs and the holders of the shares disputing the amount of the appropriate consideration with the proposed transferee shall pay the other half.

- 9.8 The Company shall notify the holders of the Ordinary Shares of the terms of any offer extended to them pursuant to Article 9.3.2 forthwith upon receiving notice of the same from the proposed transferee whereupon any holder of Ordinary Shares and, as the case may be, Loan Notes (a "**Selling Shareholder**") who wishes to transfer Ordinary Shares and, as the case may be, Loan Notes, to the proposed transferee pursuant to the terms of the offer shall serve notice on the Company (the "**Transfer Notice**") at any time before the proposed transferee's offer ceases to be open for acceptance (the "**Closing Date**") stating the number of shares and the amount, if relevant, of the Loan Notes he/it wishes to transfer (together the "**Transfer Shares**").
- 9.9 The Selling Shareholder may specify in the Transfer Notice that:
- 9.9.1 he/it is only willing to transfer all the Transfer Shares, in which case no Transfer Shares can be sold unless offers are received for all of them; and/or
- 9.9.2 the Transfer Shares can only be transferred if a specified proportion of all Ordinary Shares in issue are transferred at the same time, in which case no Transfer Shares can be sold if the Offer is not accepted in respect of Ordinary Shares representing such specified proportion.
- 9.10 The Transfer Notice shall make the Company the agent of the Selling Shareholder for the sale of the Transfer Shares on the terms of the proposed transferee's offer and on any terms specified in the Transfer Notice.
- 9.11 Within 7 days after the Closing Date:
- 9.11.1 the Company shall notify the proposed transferee in writing of the names and addresses of the Selling Shareholders who have accepted the offer made by the proposed transferee;
- 9.11.2 the Company shall notify each Selling Shareholder in writing of the number of Transfer Shares which he/it is to dispose of and the identity of the transferee; and
- 9.11.3 the Company's notices shall state the time and place, between 7 and 14 days after the Closing Date, on which the sale and purchase of the Transfer Shares held by each Selling Shareholder is to be completed.
- 9.12 If any Selling Shareholder does not transfer his respective Transfer Shares in accordance with Article 9.10 the Board may authorise any director to execute, complete and deliver in

the name of and as agent for the Selling Shareholders a transfer of the Transfer Shares to the relevant member of the purchasing group against receipt by the Company of the consideration for each Sale Share. The Company shall hold such consideration in trust for the Selling Shareholder without any obligation to pay interest. The Company's receipt of the consideration shall be a good discharge to the relevant member of the purchasing group. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Selling Shareholder shall surrender to the Company its share certificate (or, where appropriate, provide an indemnity in respect thereof in a form satisfactory to the Board) for the Transfer Shares to be transferred by him whereupon the defaulting Selling Shareholder shall be entitled to the consideration for the relevant Transfer Shares.

## 10. DRAG-ALONG RIGHTS

- 10.1 If any transfers of Ordinary Shares pursuant to Articles 6.1, 8 and/or 9 would, if registered, result in members of the purchasing group holding or increasing their shareholding to 60 per cent. or more in number of the Ordinary Shares in issue, the members of the purchasing group may, by serving a notice (a "**Compulsory Purchase Notice**") on each other shareholder holding Ordinary Shares (each a "**Minority Shareholder**"), require each Minority Shareholder to transfer all the Ordinary Shares and Loan Notes held by him (free from all liens, charges and other encumbrances and together with all rights then attaching thereto and with full title guarantee) to one or more persons identified in the Compulsory Purchase Notice (each an "**Offeree**") at the consideration specified in Article 9.5.2 on the date specified in the Compulsory Purchase Notice (the "**Completion Date**") being not less than 14 days after the date of the Compulsory Purchase Notice.
- 10.2 The shares and Loan Notes subject to the Compulsory Purchase Notices shall be sold and purchased in accordance with the following provisions, namely:
- 10.2.1 on or before the Completion Date each Minority Shareholder shall deliver to the Company duly executed stock transfer forms for the Ordinary Shares and transfer documents for the Loan Notes which are the subject of the Compulsory Purchase Notice and which are held by them (together the "**Minority Shares**"), together with the relevant share and loan note certificates (or an indemnity in respect thereof in a form satisfactory to the Board). On the Completion Date (but to the extent only that the Offerees have put the Company in the requisite funds) the Company shall pay the Minority Shareholders, on behalf of the Offeree the price for the Minority Shares held by them. The Company's receipt for the price shall be a good discharge to the Offerees. The Company shall hold any funds received from the Offerees in trust for the Minority Shareholders without any obligation to pay interest;
- 10.2.2 to the extent that the Offerees have not, by the Completion Date, put the Company in funds to pay the aggregate price due for the Minority Shares, the Minority Shareholders shall be entitled to the return of the stock transfer forms and transfer documents for the Loan Notes and share certificates and Loan Note certificates (or

appropriate indemnities) for the relevant Minority Shares and the Minority Shareholders shall have no further obligations under this Article in respect of those Minority Shares; and

- 10.2.3 if a Minority Shareholder fails to deliver duly executed stock transfer forms and transfer documents for the Minority Shares held by him to the Company by the Completion Date, the Board may (and will if so requested by the Investor Directors) authorise any director to execute, complete and deliver in the name of and as agent for the Minority Shareholder a transfer of the Minority Shares to each Offeree to the extent that the Offeree has, by the Completion Date, put the Company in funds to pay for the Minority Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Minority Shareholders shall surrender to the Company his share certificate and Loan Note certificates (or, where appropriate, provide an indemnity in respect thereof in a form satisfactory to the Board) for the Minority Shares formerly held by him whereupon he shall be entitled to receipt forthwith of the price for the Minority Shares formerly held by him.
- 10.3 Notwithstanding any other provision of these Articles, whilst the terms set out in this Article 10 apply to the Ordinary Shares of a Minority Shareholder, those shares may not be transferred otherwise than as permitted by, and in accordance with, this Article.
- 10.4 If any Ordinary Shares are issued by the Company to any Minority Shareholders within 6 months of the date of the Compulsory Purchase Notices (the "**Subsequent Shares**"), the members of the purchasing group shall be entitled to serve an additional notice (a "**Further Compulsory Purchase Notice**") on each holder of such shares requiring them to sell all their Subsequent Shares to one or more persons identified in the Further Compulsory Purchase Notice at the consideration specified in Article 9.5.2 or otherwise as determined in accordance with Article 9.7. The provisions of Article 10.2 shall apply to the Subsequent Shares mutatis mutandis **PROVIDED THAT:**
- 10.4.1 references in Article 10.2 to the "**Compulsory Purchase Notice(s)**" shall be to the "**Further Compulsory Purchase Notice(s)**"; and
- 10.4.2 references in Article 10.2 to the "**Ordinary Share(s)**" shall be to the "**Subsequent Share(s)**".
- 10.5 Article 8 does not apply to transfers of shares made under this Article.

## **11. GENERAL PROVISIONS**

### **11.1 Share Certificates**

Regulation 6 of Table A is modified by the inclusion of the following words after the words "with the seal" in the second sentence of Regulation 6: "or shall be signed by a director and the secretary of the Company, or by two directors of the Company . . ."



## **11.2 Lien**

11.2.1 Regulation 8 of Table A is modified by the deletion of the words “(not being a fully paid share)”.

11.2.2 The lien conferred by Regulation 8 of Table A shall apply to all shares, whether fully paid or not, and to all shares registered in the name of any person under a liability (whether actual or contingent) whether he shall be the sole registered holder of such shares or one of two or more joint holders of such shares and Regulation 8 of Table A shall be construed accordingly.

## **11.3 Purchase of Own Shares**

Regulation 35 of Table A shall be modified by the deletion of the words “otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares” and the substitution for them of the words “, whether out of its distributable profits or out of the proceeds of a fresh issue of shares or otherwise” .

## **11.4 General Meetings**

11.4.1 Regulation 37 of Table A 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.

11.4.2 A general meeting may consist of a conference between members some or all of whom are in different places provided that each member who participates is able:

- (a) to hear each of the other participating members addressing the meeting; and
- (b) 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 shall 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 to members shall include their duly appointed proxies and, in the case of corporate members, their duly authorised representatives.

## **11.5 Notice of General Meetings**

An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or an elective resolution must be called by at least 21 clear days' notice. All other extraordinary general meetings must be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed:

- 11.5.1 in the case of an annual general meeting or a meeting called for the passing of an elective resolution, by all the members entitled to attend and vote at that meeting; and
- 11.5.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote, being a majority (i) together holding not less than such percentage in nominal value of the shares giving that right as has been determined by elective resolution of the members in accordance with the Act, or (ii) if no such elective resolution is in force, together holding not less than 95 per cent in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify that the meeting is an annual general meeting.

Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

## **11.6 Proceedings at General Meetings**

- 11.6.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and for its duration. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, of whom at least one shall be or shall represent the Investor, and another of whom shall be or shall represent an Executive shall be a quorum. If a meeting is adjourned pursuant to Regulation 41 of Table A because a quorum is not present and at the adjourned meeting a quorum is not present within half an hour of the time set for that meeting, the members present shall be a quorum.
- 11.6.2 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 of the Company. 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.
- 11.6.3 A poll may be demanded by the chairman or by any member present in person or by proxy and entitled to vote and Regulation 46 of Table A is modified accordingly.

11.6.4 Regulation 51 of Table A is amended by replacing the first and second sentences with the following words: "A poll demanded shall be taken forthwith".

11.6.5 Regulation 53 of Table A is modified by the addition of the following words after the words "each member" "(or by any director or the secretary of a corporation who is a member)" and by the addition at the end of the first sentence of the following sentence: "If a resolution in writing is described as a special resolution or as an extraordinary resolution or as an elective resolution, it shall have effect accordingly."

## **11.7 Votes of Members**

11.7.1 A proxy shall be entitled to vote on a show of hands and Regulation 54 shall be construed accordingly.

11.7.2 Regulation 57 of Table A is modified by the inclusion after the word "shall" of the phrase ", unless the directors otherwise determine,".

11.7.3 Regulation 59 of Table A is modified by the addition at the end of the second sentence of the following sentence: "Deposit of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it."

11.7.4 An instrument appointing a proxy must be in writing in any usual form or in any other form which the directors may approve and must be executed by or on behalf of the appointor.

11.7.5 Regulation 62 of Table A 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 or by facsimile transmission to", by the substitution in paragraph (a) of the words "one hour" in place of "48 hours" and by the substitution in paragraph (b) of the words "one hour" in place of "24 hours".

## **11.8 Number of Directors**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) is subject to a maximum of eight and the minimum number is two.

## **11.9 Alternate Directors**

11.9.1 The Investor Directors may appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director. That person need not be approved by resolution of the directors and Regulation 65 of Table A is modified accordingly. In Regulation 67 of Table A the words "but, if" and those words which follow to the end of the regulation shall be deleted.

11.9.2 An alternate director who is absent from the United Kingdom is entitled to receive notice of all meetings of directors and meetings 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 a committee of directors of which his appointor is a member, either prospectively or retrospectively. Regulation 66 of Table A is modified accordingly.

11.9.3 An alternate director shall 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 such appointor may by notice in writing to the Company from time to time direct, and the first sentence of Regulation 66 of Table A shall be modified accordingly.

11.9.4 A director, or any other person 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 Board 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 person for the purpose of determining whether a quorum is present.

11.9.5 Regulation 68 of Table A 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."

#### **11.10 Delegation of Directors' Powers**

Regulation 72 of Table A is modified by the addition at the end of the regulation of the following sentence: "Where a provision of the 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."

#### **11.11 Appointment and Retirement of Directors**

11.11.1 The directors are not subject to retirement by rotation. Regulations 73, 74 and 75 of Table A do not apply, and reference in Regulations 67, 78 and 84 of Table A to retirement by rotation is to be disregarded.

11.11.2 The Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

11.11.3 A person appointed by the directors to fill a vacancy or as an additional director is not required to retire from office at the annual general meeting next following his appointment and the last two sentences of Regulation 79 of Table A are deleted.

11.11.4 The holder or holders of more than half in nominal value of the shares giving the right to attend and vote at general meetings of the Company may by serving notice on the Company remove a director from office and appoint a person to be a director. The notice may consist of several documents in similar form each signed by or on behalf of one or more holders and shall be left at, or sent by post

or facsimile transmission to the registered office of the Company or such other place designated by the directors for the purpose. A removal or appointment takes effect when the notice is received by the Company or on such later date (if any) specified in the notice. This Article does not apply to the removal or appointment of the Investor Directors.

11.11.5 No person shall be or become incapable of being appointed a director by reason only of his having attained the age of seventy or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person, and no director shall vacate his office at any time by reason only of the fact that he has attained the age of seventy or any other age. Section 293 of the Act shall not apply to the Company.

## **11.12 Disqualification and Removal of Directors**

11.12.1 The office of a director shall be vacated if:

- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director;
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) he becomes incapable by reason of mental disorder of discharging his duties as director;
- (d) he resigns his office by notice in writing to the Company;
- (e) 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; or
- (f) being an executive director he shall, for whatever reason, cease to be employed by any member of the Group.

11.12.2 Those persons voting against a resolution under section 303 of the Act to remove the Investor Directors or voting against a resolution to amend or alter this Article 11.12.2 or Article 4 or to alter their respective effect are deemed, in respect of that resolution, to have votes which together carry at least one vote in excess of seventy-five per cent. of the votes exercisable at the general meeting at which such a resolution is to be proposed and such votes shall be apportioned amongst such persons in the proportions in which they hold shares in the capital of the Company and Regulation 54 of Table A is modified accordingly.

### **11.13 Remuneration of Directors**

A director who, at the request of the other directors, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the directors (including the Investor Directors) may decide.

### **11.14 Director's appointments and interests**

11.14.1 Regulation 84 of Table A shall be modified by addition of the words: "with the consent of the Majority Investors" after the words "the directors" and before the words "may appoint" in the first sentence of Regulation 84, 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 of Regulation 84.

11.14.2 Regulation 85 of Table A shall be modified by the addition of the words: "and except in the case of the Investor Directors, to the consent of the Majority Investors" after the words "provisions of the Act" and before the words "and provided that he has disclosed" in the first sentence of Regulation 85.

### **11.15 Directors' gratuities and pensions**

Regulation 87 shall be modified by the addition of the words: "with the consent of the Majority Investors" after the words "The directors" and before the words "may provide benefits" in the first sentence of Regulation 87.

### **11.16 Proceedings of Directors**

11.16.1 Regulation 88 of Table A is modified by the exclusion of the third sentence and the substitution for it of the following sentences: "Every director shall 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.

11.16.2 The quorum for the transaction of the business of the directors shall be two directors present throughout the meeting of whom one is one of the Investor Directors, unless otherwise agreed in writing by the Majority Investors and the other of whom is an Executive Director.

11.16.3 The directors with the consent of the Majority Investors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office and Regulation 91 shall be construed accordingly.

11.16.4 A director or his alternate may validly participate in a meeting of the directors or a committee of directors through the medium of conference telephone or similar form of communication equipment if all persons participating in the meeting are

able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the directors or a committee of the directors is for the purposes of the Articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of the directors although fewer than two directors or alternate directors are physically present at the same place. The meeting is 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.

11.16.5 Meetings of the board of directors shall take place no less frequently than once each calendar month and at least five working days' notice shall be given to each director of such a meeting provided that with the consent of a majority of the directors, including the Investor Directors, board meetings may be held less frequently and/or convened on shorter notice.

11.16.6 If and for so long as there is a sole director of the Company:

- (a) he may exercise all the powers conferred on the directors by the Articles by any means permitted by the Articles or the Act;
- (b) for the purpose of Regulation 89 of Table A the quorum for the transaction of business is one; and
- (c) all other provisions of the Articles apply with any necessary modification (unless the provision expressly provides otherwise).

11.16.7 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. The director shall be counted in the quorum present when any such resolution is under consideration and if he votes, his vote shall be counted.

## **11.17 Dividends**

11.17.1 The directors may deduct from a dividend or other moneys payable to a member on or in respect of a share any amounts presently payable by him to the Company in respect of that share.

11.17.2 Regulation 103 of Table A shall be modified by the addition of the following words: "with the consent of the Majority Investors" after the words "the directors" in the first sentence of Regulation 103.

## 11.18 Capitalisation of Profits

The directors may, with the authority of an ordinary resolution of the Company, resolve that any shares allotted under Regulation 110 of Table A to any member in respect of a holding by him of any partly paid shares shall, so long as those shares remain partly paid, rank for dividends only to the extent that those partly paid shares rank for dividend and Regulation 110 of Table A shall be modified accordingly.

## 11.19 Notices

11.19.1 Regulation 112 of Table A is modified by:

- (a) the addition of the following sentence at the end of the first sentence of Regulation 112: "Without prejudice to any provision of the Act or any other legislation or to any other provisions of these Articles requiring notices or documents to be delivered in a particular way, the Company may also give any notice to a member by fax (except for share certificates) to a fax number notified by the shareholder in writing or by electronic mail or by any other data transmission process (except for share certificates) to an address notified by the shareholder in writing for such purpose; and
- (b) by the deletion of the last sentence and the substitution for it of the following: "A member whose registered address is not within the United Kingdom is entitled to have notices given to him at that address."

11.19.2 A notice sent to a member (or to another person entitled to receive notices under the Articles) by post to an address within the United Kingdom is deemed to be given:

- (a) 24 hours after posting, if pre-paid as first class; or
- (b) 48 hours after posting, if pre-paid as second class.

A notice sent to a member (or to another person entitled to receive notices under the Articles) by post to an address outside the United Kingdom is deemed to be given 72 hours after posting, if pre-paid as airmail. Proof that an envelope containing the notice was properly addressed, pre-paid and posted is conclusive evidence that the notice was given. A notice not sent by post but left at a member's registered address is deemed to have been given on the day it was left. A notice or document (other than a share certificate) sent by fax is treated as being delivered at the time it was sent. A notice or document (other than a share certificate) sent by electronic mail or by any other data transmission process is treated as being delivered at the time it was sent.

11.19.3 Regulation 116 of Table A is modified by the deletion of the words "within the United Kingdom".



11.19.4 Where the Articles require notice to be given by the holders of a stated percentage of shares, notice may consist of several documents in similar form each signed by or on behalf of one or more shareholders.

11.19.5 *Members can deliver a notice or other document to the Company:*

- (a) by delivering it by hand to the registered office of the Company from time to time;
- (b) by sending it by post or other delivery service not referred to below in an envelope (with postage or delivery paid) to the registered office of the Company from time to time;
- (c) by fax to the fax number notified by the Company in its communications to shareholders for this purpose; or
- (d) so far as the legislation allows, by electronic mail or by any other data transmission process to the address notified by the Company in its communications to shareholders for this purpose.

A notice of document delivered by hand is treated as being delivered at the time it is left at the registered office of the Company from time to time.

A notice or document sent by post or other delivery service not referred to below is treated as being delivered at the time it is received at the registered office of the Company from time to time.

A notice or document sent by fax is treated as being delivered at the time it was received.

A notice or document sent by electronic mail or by any other data transmission process is treated as being delivered at the time it was received.

This Article does not affect any provision of the Act or any other legislation or any other provisions of the Articles requiring notices or documents to be delivered in a particular way.

## 11.20 **Indemnity**

11.20.1 Subject to the provisions of the Act, but without prejudice to any indemnity to which he may otherwise be entitled, each person who is a director, alternate director or secretary of the Company shall be and be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in the proper execution of his duties or the proper exercise of his powers, authorities and discretion including, without limitation, a liability incurred:

- (a) defending proceedings (whether civil or criminal) in which judgment is given in his favour or in which he is acquitted or which are otherwise

disposed of without a finding or admission of material breach of duty on his part; or

- (b) in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

11.20.2 The directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was:

- (a) a director, alternate director, secretary or auditor of the Company or of a company which is or was a subsidiary undertaking of the Company or in which the Company has or had an interest (whether direct or indirect); or
- (b) a trustee of a retirement benefits scheme or other trust in which a person referred to in paragraph (a) above is or has been interested;

indemnifying him and keeping him indemnified against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company.

#### **11.21 Borrowing Powers of Directors**

The directors may exercise all the powers of the Company to borrow and raise money and to mortgage and charge all or any part of the undertaking, property and uncalled capital of the Company and, subject to the provisions of the Act, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

11.22 If there is any conflict between these Articles and the Shareholders' Agreement, the Shareholders' Agreement shall prevail.