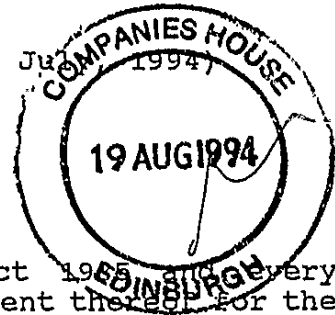


107209

THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
NEW ARTICLES OF ASSOCIATION
of

AQUASCOT MARKETING LIMITED

(adopted by Special Resolution on 25th July 1994)



Preliminary

1. In these Articles:-

- 1.1 'the Act' means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force.
 - 1.2 'Table A' means Table A in the Companies (Tables A - F) Regulations 1985 as amended by the Companies (Tables A - F) (Amendment) Regulations 1985.
 - 1.3 'Relevant Directors' means the directors and former directors of the Company and its subsidiaries and their connected persons (as defined by Section 839 Income and Corporation Taxes Act 1988) but excluding any Special Director (as hereinafter defined).
 - 1.4 The word 'emoluments' shall include all salary and all items set out in paragraph 1(4) of Schedule 6 of the Act.
 - 1.5 Where any sum is stated to be subject to Annual Review it shall be adjusted by the amount (if any) agreed in writing between the holders of not less than 75% of the 'A' Ordinary Shares and the holders of not less than 75% of the 'C' Ordinary Shares. Any adjustment will be effective from 1st July in the relevant year and will remain in effect until again adjusted. The first adjustment will be considered for the period from 1st July, 1995.
- 2.1 The regulations contained in or incorporated in Table A shall apply to the Company save in so far as they are excluded or varied hereby or are inconsistent herewith and such regulations (save as so excluded varied or inconsistent) and the Articles hereinafter contained shall be the regulations of the Company.
 - 2.2 Regulations 54, 73-80 (inclusive), 85, 86, 94-98 (inclusive) and 118 of Table A shall not apply to the Company.

Share Capital

3. The share capital of the Company at the date of the adoption of these Articles is £518,812 divided into 4,500 'A' Preference Shares of One Pound each ('the 'A' Preference Shares'), 108,000 'B' Preference Shares of One Pound each ('the 'B' Preference Shares'), 568,000 'C' Preference Shares of One Penny each (the 'C' Preference Shares), 249,488 'A' Ordinary Shares of One Pound each ('the 'A' Ordinary Shares'), 25,000 'B' Ordinary Shares of One Pound each ('the 'B' Ordinary Shares') and 126,144 'C' Ordinary Shares of One Pound each ('the 'C' Ordinary Shares').

The rights attaching to the respective classes of shares shall be as follows:-

(i) Income

The profits of the Company available for distribution shall be applied as follows:-

- (a) First, in paying to the holders of the 'A' Preference Shares a fixed cumulative preferential net cash dividend (hereinafter in these Articles referred to as 'the 'A' Preference Dividend') at the rate of 5% per annum on the subscription price payable in respect thereof accruing from the date of subscription for the 'A' Preference Shares and payable yearly on 31st December in each year;
- (b) Secondly, in paying to the holders of the 'B' Preference Shares a fixed cumulative preferential net cash dividend (hereinafter in these Articles referred to as 'the 'B' Preference Dividend') of 12.5 pence per annum on each share accruing from 1st September, 1991 and payable half yearly on 28th February and 31st August in each year in respect of the half years ending on those dates;
- (c) Thirdly, in paying to the holders of the 'C' Preference Shares a fixed cumulative preferential net cash dividend (hereinafter in these Articles referred to as the 'C' Preference Dividend) of 10.5 pence per annum on each share accruing from the date of subscription for the 'C' Preference Shares and payable half yearly on 28th February and 31st August in each year in respect of the half years ending on those dates, the first such payment to be made on 31st August, 1994;
- (d) Fourthly, in paying to the holders of the 'C' Ordinary Shares as a class in respect of each financial year of the Company commencing with the financial year beginning on 1st July, 1994 a cumulative preferential net cash dividend (hereinafter in these Articles referred to as 'the Participating Dividend') of a sum

equal to 15 per centum of the net profit (calculated as hereinafter provided) of the Company and its subsidiaries for the relevant financial year; the Participating Dividend (if any) shall be paid not later than four months after the end of each successive accounting reference period of the Company or not later than fourteen days after the audit report on the Accounts of the Company for such period is signed by the Company's auditors, whichever is the earlier;

For the purpose of calculating the Participating Dividend the expression 'net profit' shall mean the profit on ordinary activities after taxation, extraordinary items (if any) and the 'A' Preference Dividend, the 'B' Preference Dividend and the 'C' Preference Dividend of the Company and its subsidiaries calculated on the historical cost accounting basis as shown in the audited consolidated profit and loss account of the Company and its subsidiaries for the relevant financial year (to the nearest £1) but adjusted by:-

- (1) adding back any payment or provision which has been made for any dividend on any share in the capital of the Company or any of its subsidiaries (other than the 'A' Preference Dividend, the 'B' Preference Dividend and the 'C' Preference Dividend) or for any other distribution or for the transfer of any sum to reserve and any amortisation of goodwill;
 - (2) adding back any amount in excess of £116,000 (subject to Annual Review) in the aggregate charged in respect of emoluments payable to Relevant Directors (whether directly or effectively by way of service charge).
- (e) Fifthly, in paying to the holders of the 'C' Ordinary Shares in respect of each financial year of the Company a cumulative preferential net cash dividend (hereinafter in these Articles referred to as 'the Additional Dividend') on each share of an amount which, when added to the Participating Dividend paid on such share for the same financial year, shall equal the aggregate of:-
- (i) any Initial Ordinary Dividend (as hereinafter defined) paid in such financial year on all of the Ordinary Shares held by or on behalf of the Relevant Directors and/or by any company in which the Relevant Directors (or any of them) have an interest (hereinafter in these Articles referred to as 'Directors' Shares'); and
 - (ii) the Excess Remuneration (as hereinafter defined)

divided by the number of Directors' Shares in issue on the last day of the relevant financial year.

For the purpose of calculating the Additional Dividend the expression 'Excess Remuneration' shall mean emoluments in excess of £116,000 (subject to Annual Review) in the aggregate payable in respect of the relevant financial year to Relevant Directors (whether directly or effectively by way of service charge) after deducting income tax at the basic rate on such excess sum. The Additional Dividend (if any) shall be paid on the due date for payment of the Participating Dividend.

- (f) For the avoidance of doubt no dividend shall be payable on the 'B' Ordinary Shares.
- (g) No dividend shall be declared or paid to the holders of 'A' Ordinary Shares in respect of any financial year of the Company unless and until:-
 - (i) the 'B' Preference Dividend, the 'C' Preference Dividend and the Participating Dividend (if any) have been paid in full in respect of that financial year and in respect of all previous financial years of the Company;
 - (ii) any Additional Dividend due in respect of all previous financial years of the Company has been paid in full and in respect of that financial year is declared and paid in full at the same time as any Initial Ordinary Dividend (as hereinafter defined) paid in that year; and
 - (iii) all Preference Shares which have fallen due for redemption have been redeemed;

but subject thereto the profits which the Company may determine to distribute in respect of any financial year shall be applied:-

- (1) First, in paying to the holders of the 'A' Ordinary Shares a dividend ('the Initial Ordinary Dividend') for such year on each share of an amount up to but not exceeding the Participating Dividend paid on each 'C' Ordinary Share for such year;
- (2) Secondly, in distributing the balance of such profits amongst the holders of the 'A' Ordinary and 'C' Ordinary Shares (pari passu as if the same constituted one class of share);

Every dividend shall be distributed to the appropriate Shareholders pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively and shall accrue on a daily basis.

Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act, the 'B' Preference Dividend, the 'C' Preference Dividend, the Participating Dividend and the Additional Dividend shall (notwithstanding regulations 102 to 108 inclusive contained in Table A or any other provision of these Articles and in particular notwithstanding that there has not been a recommendation of the directors or resolution of the Company in general meeting) be paid immediately on the due date and if not then paid shall be a debt due by the Company and be payable in priority to any other dividend.

Provided that if due to delays in the preparation of the audited accounts of the Company the Participating Dividend cannot be calculated by the date it is due for payment then there shall be paid forthwith an interim dividend in respect of the Participating Dividend of a sum equal to the last Participating Dividend payable. The next and (if appropriate) any subsequent Participating Dividend shall be adjusted to take account of any overpayment or underpayment in respect of the said interim dividend which becomes apparent when the audited accounts are available.

The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of any redemption moneys due on the 'B' Preference Shares and the 'C' Preference Shares and the 'B' Preference Dividend, the 'C' Preference Dividend, the Participating Dividend and the Additional Dividend.

If any dividends on the 'C' Ordinary Shares are not paid on the dates specified for payment in these Articles then the amount of such overdue dividends will be increased by 12% per annum such increase to accrue daily from the date on which the dividend in question may be lawfully paid.

(ii) Capital

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied as follows:-

- (a) First, in paying to the holders of the 'A' Preference Shares the subscription price per share together with a sum equal to any arrears or accruals of the 'A' Preference Dividend calculated down to the date of the return of capital;
- (b) Secondly, in paying to the holders of the 'B' Preference Shares £1 per share together with a sum equal to any arrears or accruals of the 'B' Preference Dividend calculated down to the date of the return of capital;
- (c) Thirdly, in paying to the holders of the 'C' Preference Shares £1 per share together with a sum equal to any arrears or accruals of the 'C' Preference Dividend calculated down to the date of the return of capital;
- (d) Fourthly, in paying to the holders of the 'C' Ordinary Shares £1 per share together with a sum equal to any arrears or accruals of the Participating Dividend and the Additional Dividend calculated down to the date of the return of capital;
- (e) Fifthly, in paying to the holders of the 'A' Ordinary Shares £1 per share;
- (f) Sixthly, in paying to the holders of the 'B' Ordinary Shares the subscription price per share.

And the balance of such assets shall be distributed amongst the holders of the 'A' Ordinary Shares and 'C' Ordinary Shares (pari passu as if the same constituted one class of share) in proportion to the amounts paid up or credited as paid up on the 'A' Ordinary Shares and 'C' Ordinary Shares held by them respectively.

(iii) Conversion

The holders of the 'C' Ordinary Shares may at any time convert the whole of their 'C' Ordinary Shares into a like number of 'A' Ordinary Shares and the following provisions shall have effect:-

- (a) The conversion shall be effected by notice in writing given to the Company and signed by the holders of 75% of the 'C' Ordinary Shares and the conversion shall take effect immediately upon the date of delivery of such notice to the Company unless such notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled in which case conversion shall take effect when such conditions have been fulfilled;

- (b) Forthwith after conversion takes effect the holders of the 'A' Ordinary Shares resulting from the conversion shall send to the Company the certificates in respect of their respective holdings of 'C' Ordinary Shares and the Company shall issue to such holders respectively Certificates for the 'A' Ordinary Shares resulting from the conversion;
- (c) The 'A' Ordinary Shares resulting from the conversion shall rank from the date of conversion pari passu in all respects with the other 'A' Ordinary Shares in the capital of the Company;
- (d) On the date of conversion the Company shall pay a dividend to the holders of the 'C' Ordinary Shares of a sum equal to any arrears or accruals of the Participating Dividend and the Additional Dividend on the 'C' Ordinary Shares calculated on a daily basis to the date of conversion and the Participating Dividend shall be calculated pro rata according to the profits of the Company and its subsidiaries for the relevant financial year down to the date of such conversion, such profits to be calculated by the Company on a basis reasonably acceptable to the holders of 75% of the 'C' Ordinary Shares.

(iv) Redemption

'A' Preference Shares

- (a) For the avoidance of doubt the 'A' Preference Shares shall be irredeemable.

'B' Preference Shares

- (a) Whenever 108,000 'C' Preference Shares shall be subscribed for at a price of £1 per share for the purpose of funding the redemption of the whole class of 'B' Preference Shares the whole class of 'B' Preference Shares shall be redeemed forthwith upon completion of such subscription.
- (b) Failing redemption in terms of paragraph (a) hereof and subject to the provisions of the Act the Preference Shares shall be redeemed in the numbers (pro rata between or among the holders thereof according to their respective holdings) and on the dates set out below

<u>Redemption Date</u>	<u>Number of Shares Redeemable</u>
30.06.95	21,600
30.06.96	21,600
30.06.97	21,600
30.06.98	21,600
30.06.99	21,600

and any shares not redeemed on the due date shall be redeemed forthwith upon redemption becoming permissible under the Act.

- (c) Failing redemption in terms of paragraph (a) hereof and subject as aforesaid, the Company may with the prior written consent of the holders of 75% of the 'B' Preference Shares redeem (pro rata as aforesaid) all or some of the 'B' Preference Shares in advance of the due date for redemption in terms of paragraph (b) hereof and in the absence of any contrary agreement between such holders and the Company any partial early redemption shall be deemed to relate to the shares falling due for redemption in inverse order of maturity.
- (d) Subject as aforesaid all of the 'B' Preference Shares shall (unless the holders of 75% of the Preference Shares give notice in writing to the Company to the contrary) be redeemed immediately upon any of the following dates:-
 - (1) the date upon which any of the equity share capital of the Company is admitted to the Official List of the Stock Exchange or permission for any of the equity share capital of the Company to be dealt in on the Unlisted Securities Market or any other recognised investment exchange (as defined in Section 207 of the Financial Services Act 1986) becomes effective; or
 - (2) the date upon which a successful offer to purchase 90% or more of the issued equity share capital of the Company (or 90% or more of all such capital including any already held by the offeror) is completed.
- (e) On the dates fixed for any redemption the Company shall pay to each registered holder of 'B' Preference Shares the amount payable in respect of such redemption and upon receipt of that amount each such holder shall surrender to the Company the certificate for his shares which are to be redeemed in order that they may be cancelled provided that if any certificate so surrendered includes any shares not redeemable at that time the Company shall issue a fresh certificate for the balance of the shares not redeemable to the holder.
- (f) The Company shall pay on each of the 'B' Preference Shares so redeemed the sum of £1 and shall contemporaneously pay any arrears or accruals of the 'B' Preference Dividend calculated to the date of redemption and in the absence of any direction to the contrary by the holder of the relevant 'B' Preference

Share any moneys paid on redemption of such share shall relate first to the said arrears and accruals of the 'B' Preference Dividend. The 'B' Preference Dividend shall cease to accrue from the date of payment of the redemption moneys.

'C' Preference Shares

- (c) (i) Subject to the provisions of the Act the 'C' Preference Shares shall be redeemed in the numbers (pro rata between or among the holders thereof according to their respective holdings) and on the dates set out below

<u>Redemption Date</u>	<u>Number of Shares Redeemable</u>
30.06.1996	71,000
30.06.1997	71,000
30.06.1998	71,000
30.06.1999	71,000
30.06.2000	71,000
30.06.2001	71,000
30.06.2002	71,000
30.06.2003	71,000

and any shares not redeemed on the due date shall be redeemed forthwith upon redemption becoming permissible under the Act.

- (ii) Subject as aforesaid the Company may with the prior written consent of the holders of 75% of the 'C' Preference Shares redeem (pro rata as aforesaid) all or (in instalments of not less than 71,000 shares) some of the 'C' Preference Shares in advance of the due date for redemption and in the absence of any contrary agreement between such holders and the Company any partial early redemption shall be deemed to relate to the shares falling due for redemption in inverse order of maturity.
- (iii) Subject as aforesaid all of the 'C' Preference Shares shall (unless the holders of 75% of the 'C' Preference Shares give notice in writing to the Company to the contrary) be redeemed immediately upon any of the following dates:-
- (1) the date upon which any of the equity share capital of the Company is admitted to the Official List of the Stock Exchange or permission for any of the equity share capital of the Company to be dealt in on the Unlisted Securities Market or any other recognised investment exchange (as defined in Section 207 of the Financial Services Act 1986) becomes effective; or

- (2) the date upon which a successful offer to purchase 90% or more of the issued equity share capital of the Company (or 90% or more of all such capital including any already held by the offeror) is completed.
- (iv) On the dates fixed for any redemption the Company shall pay to each registered holder of 'C' Preference Shares the amount payable in respect of such redemption and upon receipt of that amount each such holder shall surrender to the Company the certificate for his shares which are to be redeemed in order that they may be cancelled provided that if any certificate so surrendered includes any shares not redeemable at that time the Company shall issue a fresh certificate for the balance of the shares not redeemable to the holder.
- (v) The Company shall pay on each of the 'C' Preference Shares so redeemed the sum of £1 and shall contemporaneously pay any arrears or accruals of the 'C' Preference Dividend calculated to the date of redemption and in the absence of any direction to the contrary by the holder of the relevant 'C' Preference Share any moneys paid on redemption of such share shall relate first to the said arrears and accruals of the 'C' Preference Dividend. The 'C' Preference Dividend shall cease to accrue from the date of payment of the redemption moneys.
- (vi) Contemporaneously upon the redemption of any 'C' Preference Shares the Company shall pay a special dividend on each share to be redeemed of 10 pence. If a holder of 'C' Preference Shares so directs the Company shall instead of paying the special dividend increase the redemption price of each such 'C' Preference Share by an equivalent amount.

'B' Ordinary Shares

- (c) (i) The Company may subject to the provisions of the Act at any time redeem the whole or any part of the 'B' Ordinary Shares upon giving to the shareholders whose shares are to be redeemed not less than three months notice in writing expiring on the 1st day of August 1990. The Company shall not be entitled to redeem any 'B' Ordinary Shares unless it is a fully paid share.
- (ii) In the case of a partial redemption the 'B' Ordinary Shares to be redeemed shall be selected by drawings to be made at such place and in such manner as the directors in their absolute discretion shall determine.
- (iii) The Company shall redeem the whole of the 'B' Ordinary Shares then outstanding on 1st day of November 1990, or as soon thereafter as the Company shall be able to

comply with the statutory provisions for the time being affecting such redemption. Not less than three months previous notice in writing shall be given to the holders of such shares specifying the date upon which the same shall be redeemed.

- (iv) Any notice of redemption shall specify the particular shares to be redeemed, the date fixed for redemption and the place at which the certificates for such shares are to be presented for redemption. At the time and place so fixed each holder thereof shall be bound to surrender to the Company for cancellation the certificates for his shares which are to be redeemed. Upon such surrender the Company shall pay to him the amount due upon redemption. If any certificates so surrendered to the Company shall include any 'B' Ordinary Shares not then to be redeemed, a fresh certificate for those shares shall be issued without charge.
- (v) There shall be paid on each 'B' Ordinary Share redeemed the amount paid thereon.

Class Rights

- 4. Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up only with the consent in writing of the holders of 75% of the issued shares of that class. Without prejudice to the generality of this Article, the special rights attached to the 'B' Preference Shares and/or the 'C' Preference Shares and/or the 'C' Ordinary Shares shall be deemed to be varied:-

- (i) by the grant of any option or other right to subscribe for shares or by any alteration or increase or reduction or sub-division or consolidation of the authorised or issued capital of the Company or any of its subsidiaries, or by any variation of the rights attached to any of the shares for the time being in the capital of the Company or of any of its subsidiaries; or
- (ii) by the disposal of the undertaking of the Company or of any of its subsidiaries or any substantial part thereof or by the disposal of any share in the capital of any subsidiary of the Company; or
- (iii) by the acquisition of any interest in any share in the capital of any company by the Company or any of its subsidiaries; or

- (iv) by the application by way of capitalisation of any sum in or towards paying up any debenture or debenture stock of the Company; or
- (v) by any alteration of the restrictions on the powers of the directors of the Company and its subsidiaries to borrow, give guarantees or create charges; or
- (vi) by the winding up the Company; or
- (vii) by the redemption of any of the Company's shares (otherwise than pursuant to these Articles) or by the entering into of a contract by the Company to purchase any of its shares; or
- (viii) by any alteration of the Company's Memorandum or Articles of Association; or
- (ix) by any alteration of the Company's accounting reference date; or
- (x) by the entering into of a written service agreement with any director of the Company or connected person (as defined by Section 839 of the Income and Corporation Taxes Act 1988) or the material variation of any such existing service agreement with any such person; or
- (xi) by the calling of a meeting of the Company to effect or approve any matter which would by virtue of this Article be a variation of the class rights of the 'B' Preference Shares and/or the 'C' Ordinary Shares.

Further Issue of Shares

- 5.1 Notwithstanding any other provisions of these Articles the directors shall be bound to offer to any member of the 3i Group (as hereinafter defined) for the time being holding shares in the capital of the Company such a proportion of any shares forming part of the equity share capital of the Company which the directors determine to issue as the aggregate nominal value of shares in the equity share capital of the Company for the time being held by such member of the 3i Group bears to the total issued equity share capital of the Company immediately prior to the issue of the shares. Any shares issued to a member of the 3i Group pursuant to such offer shall be issued upon terms and conditions no less favourable to those issued to any other person and so that such shares shall at the request of 3i be registered in the name or names of any one or more members of the 3i Group.
- 5.2 For the purposes of these Articles of Association the expressions '3i' shall mean 3i Group plc and 'a member of the 3i Group' shall mean 3i Group plc, any subsidiary of 3i

Group plc and any company of which 3i Group plc is a subsidiary.

Lien

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

Calls

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

Transfer of Shares

8. The directors shall refuse to register any transfer of shares made in contravention of the provisions of these Articles but (subject to regulation 24 of Table A) shall not otherwise be entitled to refuse to register any transfer of shares. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these Articles, the directors may request the transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of twenty eight days after such request the directors shall be entitled to refuse to register the transfer in question.

9.1 For the purposes of these Articles:-

- (a) 'Privileged Relation' in relation to a member means the spouse or widow or widower of the member and the member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member's children;
- (b) 'Family Trust' in relation to any member means a trust which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of that member and/or a Privileged Relation of that member and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or such member or his Privileged Relations;

(c) 'settlor' includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased member.

9.2 Notwithstanding any other provision in these Articles any member may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any shares held by him to a Privileged Relation or to trustees to be held upon a Family Trust.

9.3 Where any shares are held by trustees upon a Family Trust:-

9.3.1 on any change of trustees such shares may be transferred to the new trustees of that Family Trust;

9.3.2 such shares may be transferred at any time to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor; and

9.3.3 if and whenever any such shares cease to be held upon a Family Trust (otherwise than in consequence of a transfer to the settlor or to another Family Trust of the settlor) a Transfer Notice (as hereinafter defined) shall be deemed to have been given in respect of the relevant shares (as hereinafter defined) and such shares may not otherwise be transferred);

9.3.4 for the purposes of this Article the expression 'relevant shares' means and includes the shares originally transferred to the trustees and any additional shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them.

10.1 Save as otherwise provided in these Articles every member who desires to transfer any shares (hereinafter called 'the Vendor') shall give to the Company notice in writing of such desire (hereinafter called a 'Transfer Notice'). Subject as hereinafter mentioned a Transfer Notice shall constitute the Company the Vendor's agent for the sale of the shares specified therein (hereinafter called 'the Sale Shares') in one or more lots at the discretion of the directors to all the holders of 'A' Ordinary Shares and 'C' Ordinary Shares in the Company (such shares being hereinafter in this Article referred to as 'Equity Shares') other than the Vendor at the Sale Price. The Sale Price shall be the price agreed by the Vendor and the directors or if the Vendor and the directors are unable to agree a price within twenty eight days of the Transfer Notice being given or if the Transfer Notice is a deemed Transfer Notice the price which a chartered accountant (acting as an expert and not as an

arbiter) nominated by agreement between the Vendor and the Company or in default of such agreement by the President for the time being of the Institute of Chartered Accountants of Scotland shall by writing under his hand certify to be in his opinion a fair value thereof on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction. Save for shares sold pursuant to a deemed Transfer Notice the Transfer Notice may contain a provision that unless all the shares comprised therein are sold by the Company pursuant to this Article none shall be sold and any such provision shall be binding on the Company.

- 10.2 If a chartered accountant is asked to certify the fair value as aforesaid his certificate shall be delivered to the Company and as soon as the Company receives the certificate it shall furnish a certified copy thereof to the Vendor and save for shares sold pursuant to a deemed Transfer Notice the Vendor shall be entitled by notice in writing given to the Company within ten days of the service upon him of the certified copy to cancel the Company's authority to sell the Sale Shares. The cost of obtaining the certificate shall be borne by the Company unless the Vendor shall give notice of cancellation as aforesaid in which case the Vendor shall bear the cost.
- 10.3 Upon the price being fixed as aforesaid and provided the Vendor shall not give a valid notice of cancellation the Company shall forthwith offer the Sale Shares to all holders of Equity Shares (other than the Vendor) pro rata as nearly as may be in proportion to the existing numbers of Equity Shares held by such members giving details of the number and the Sale Price of such Sale Shares. The Company shall invite each such member as aforesaid to state in writing within twenty one days from the date of the notice whether he is willing to purchase any of the Sale Shares so offered to him and if so the maximum thereof which he is willing to purchase. If at the expiration of the said period of twenty one days there are any Sale Shares offered which any of the members hereinbefore mentioned have not so stated their willingness to purchase the Company shall offer such shares to such members as have stated in writing their willingness to purchase all the shares previously offered to them. Such remaining shares shall be offered pro rata as nearly as may be in proportion to existing numbers of Equity Shares then held by such members which offer shall remain open for a further period of twenty one days.
- 10.4 If the Company shall pursuant to the above provisions of this Article find a member or members of the Company willing to purchase all or any of the Sale Shares the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale

Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons. If the Vendor shall make default in so doing the Company shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the Sale Shares as shall have been transferred to them as aforesaid.

- 10.5 If the directors shall not have found a member or members of the Company willing to purchase all of the Sale Shares pursuant to the foregoing provisions of this Article the Vendor shall at any time within six months after the final offer by the Company to its members be at liberty to sell and transfer such of the Sale Shares as have not been so sold to any person at a price being no less than the Sale Price.
- 10.6 If a member being a company ceases to be within the control (as such term is defined by Section 840 of the Income and Corporation Taxes Act 1988) of the person(s) who controlled such company on the date on which it became a member of the Company or on the date of adoption of these Articles (whichever shall be the later) it shall be deemed to have immediately given a Transfer Notice in respect of all the shares as shall then be registered in its name; provided that this sub-article shall have no application to 3i or to any member of the 3i Group.
- 10.7 The foregoing provisions of this Article shall not apply to a transfer if the holders of 75% of the 'A' Ordinary Shares and the holders of 75% of the 'C' Ordinary Shares so direct in writing and the directors shall be obliged to register any such transfer.
11. Notwithstanding any other provision of these Articles a transfer of any shares in the Company held by any member of the 3i Group may be made between the member in the 3i Group holding such shares and any other member in the 3i Group without restriction as to price or otherwise and any such transfer shall be registered by the directors.

Limitation on Transfer of Control

- 12.1 No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered without the previous written consent of the holders of 75% of the 'C' Ordinary Shares if as a result of such sale or transfer and registration thereof a Controlling Interest (as hereinafter defined) would be obtained in the Company:-

- (a) by a company (other than a company to which the immediately following sub-Article applies) or by a person or persons (other than a company) who are not Original Members (as hereinafter defined) unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have offered to purchase all the 'C' Ordinary Shares at the Specified Price (as hereinafter defined) and (if not redeemed) all the 'B' Preference Shares at a price per share of at least £1.30 and all the 'C' Preference Shares at a price per share of at least £1.10 plus a sum equal to any arrears or accruals of the 'B' Preference Dividend and the 'C' Preference Dividend grossed up at the rate of corporation tax then in force calculated down to the date of sale or transfer; or
- (b) by a company in which one or more of the members of the Company or persons acting in concert (which expression shall have the meaning ascribed to it in the January 1988 Edition of the City Code on Takeovers and Mergers) with any member of the Company has or as a result of such sale or transfer will have a Controlling Interest.

12.2 For the purpose of this Article:-

- (a) the expression 'a Controlling Interest' shall mean an interest in shares in a company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in that company;
- (b) the expression 'Original Members' shall mean persons who were members of the Company on the date of the adoption of these Articles and the Family Trusts and Privileged Relations of such members;
- (c) the expressions 'transfer' and 'transferee' shall include respectively the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment; and
- (d) the expression 'the Specified Price' shall mean at the option of the holders of 75% of the 'C' Ordinary Shares either:-
 - (i) a price per share of £1; or
 - (ii) the consideration (in cash or otherwise) per share equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for any other shares in the Company plus the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other shares which having regard to the substance of the transaction as a

whole can reasonably be regarded as an addition to the price paid or payable for such other shares provided that if any part of the price per share is payable otherwise than by cash the holders of the 'C' Ordinary Shares may at their option elect to take a price per share of such cash sum as may be agreed by them having regard to the substance of the transaction as a whole;

plus a sum in either case equal to any arrears or accruals of the dividends on such share grossed up at the rate of corporation tax then in force calculated down to the date of sale or transfer.

And in the event of disagreement the calculation of the Specified Price shall be referred to an umpire (acting as expert and not as arbiter) nominated by the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants of Scotland) whose decision shall be final and binding.

- 12.3 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this Article.

Voting

- 13.1 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles of Association, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative not being himself a member shall have one vote, and on a poll every member who is present in person or by proxy or (being a corporation) is present by a representative or by proxy shall (except as hereinafter provided) have one vote for every £1 in nominal amount of shares in the capital of the Company of which he is the holder.
- 13.2 The holders of the 'A' Preference Shares, the 'B' Preference Shares and the 'C' Preference Shares and the 'B' Ordinary Shares shall be entitled to receive notice of all general meetings but shall not be entitled to attend or vote thereat.

Appointment of Directors

1. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director.

Proceedings of Directors

15. Notice of every meeting of the directors shall be given to each director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him.

16.1 Subject to the provisions of the Act and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:-

- (a) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
- (b) may be a director or other officer of or employed or a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) may or any firm or company of which he is a partner or member or director may act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;
- (d) shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- (e) shall be entitled to vote and be counted in the quorum on any matter concerning the foregoing paragraphs of this Article.

16.2 For the purposes of this Article:-

- (a) a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;

- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
- (c) an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

Directors' Borrowing Powers

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

- (a) of borrowing or securing the payment of money;
- (b) of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts; and
- (c) of mortgaging or charging the property, assets and uncalled capital of the Company and (subject to Section 80 of the Companies Act, 1985) of issuing debentures

but so that:-

- (i) the directors of the Company shall procure that the aggregate amounts for the time being remaining undischarged by virtue of any of the foregoing operations by the Company and all subsidiaries of the Company and by virtue of any like operations by the Company and all subsidiaries of the Company (including any liability, whether ascertained or contingent, under any guarantee for the time being in force and including amounts due under any hire purchase, credit sale, conditional sale or leasing agreements (other than leases of real or heritable property) which can in accordance with current accounting practice be attributed to capital but excluding inter-company loans, mortgages and charges) shall not without the previous sanction of the holders of the 'B' Preference Shares and/or the 'C' Preference Shares and/or the 'C' Ordinary Shares exceed a sum which is the greater of £2,500,000 or twice the aggregate of the nominal amount of the share capital of the Company for the time being issued and paid up or credited as paid up and the amounts for the time being standing to the credit of the capital and revenue reserves and the share premium account of the Company and all its subsidiaries (excluding any amounts arising from the writing up of

the book values of any capital assets, any amounts attributable to goodwill and minority interests and any amounts set aside for future taxation) all as shown by the then latest audited Consolidated Balance Sheet of the Company;

- (ii) no such sanction shall be required to the borrowing of any sum of money intended to be applied in the repayment (with or without premium) of any moneys then already borrowed and outstanding, notwithstanding that the same may result in such limit being exceeded;
- (iii) no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this Article is observed and no debt or liability incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to whom the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed has been or was thereby exceeded;
- (iv) except with the previous sanction of the holders of 75% of the 'B' Preference Shares and/or the 'C' Preference Shares and/or the 'C' Ordinary Shares no mortgage or charge shall be created on any part of the undertaking, property or assets of the Company or any subsidiary of the Company except for the purpose of securing moneys borrowed from any member of the 3i Group with interest thereon and from bankers with interest thereon and bank charges.

Special Director

18. Notwithstanding any other provisions of these Articles 3i shall be entitled to appoint as a director of the Company any person (herein referred to as 'a Special Director') approved by the directors of the Company (whose approval shall not be unreasonably withheld) and to remove from office any person so appointed and (subject to such approval) to appoint another person in his place. A Special Director shall be deemed to be and shall be appointed and act as Chairman of the Board of directors of the Company if the 'B' Preference Dividend or the 'C' Preference Dividend or any redemption moneys due on the 'B' Preference Shares or the 'C' Preference Shares shall be two calendar months in arrears automatically on the expiry of the said period. The remuneration and reasonable expenses to be paid to a Special Director shall be payable by the Company and shall be such sum as may be agreed between him and the Company or failing agreement such reasonable sum as shall be fixed by 3i. Upon request by 3i the Company shall also procure that

a Special Director be appointed a director to any subsidiary of the Company.

Indemnity

19. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or 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.

THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
SPECIAL RESOLUTION OF AQUASCOT MARKETING LIMITED
(Registered in Scotland Number 107209)

At an Extraordinary General Meeting of the members of the Company held at Alness Industrial Estate, Alness on 25th July 1994 the following Resolution was passed as a Special Resolution of the Company.

Special Resolution
Cancellation of Shares

That the remaining 17,488 "A" ordinary shares of £1 each and the 20,000 "C" ordinary shares of £1 each which have not been taken up or agreed to be taken up at the date of this Resolution be hereby cancelled so that the authorised share capital of the Company be reduced by £37,488 to £518,812.


.....
Secretary

