

THE COMPANIES ACTS 1985 AND 1989
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
ALBANY VENTURE MANAGERS (HOLDINGS) LIMITED

Registered No. SC207268

Incorporated the 18th day of May 2000

Adopted by Special Resolution
Dated 31st May 2001
and
Amended by Written Resolutions Dated:
(i) 8 October 2002;
(ii) 24 June 2003;
(iii) 29 October 2003.



Dickson Minto W.S.
16 Charlotte Square
Edinburgh
EH2 4DF



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(Registered Number SC207268)

(Adopted by Special Resolution passed on 31st May 2001 and amended by
written resolutions dated 8th October 2002, 24th June 2003 and
29th October 2003)

PRELIMINARY

1. The provisions of Table A and in any Table A applicable to the Company under any former enactment relating to companies shall be excluded in whole from applying to the Company.

DEFINITIONS AND INTERPRETATION

2. Definitions

In these Articles, unless the context otherwise requires:

"the Act"	means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;
"Acting in Concert"	bears the same meaning as that ascribed by the Code;
"Adoption Date"	means the date of adoption of these Articles;
"A Share"	means the A Ordinary Share of £1.00 in the capital of the Company;
"A Shareholder"	means a Member who holds the A Share in his capacity as a holder of the A Share and not in his capacity as a holder of any other class of Shares;
"A Shareholder Representative"	means any director appointed by the A Shareholder in terms of Article 5.6.1 or, if no such director is appointed, any observer appointed by the A Shareholders pursuant to Article 5.6.2 ;

"Auditors"	means the auditors of the Company from time to time;
"BancBoston Group"	means BBC and any holding company for the time being of BBC and any subsidiary for the time being of BBC and/or any such holding company and other body corporate or partnership (whether limited or general) or investment trust or fund controlled or advised (in an investment or managerial capacity) by BBC or any such holding company or subsidiary in which BBC or any such holding company or subsidiary from time to time holds or has agreed to acquire any direct or indirect economic or financial interest;
"Board"	means the directors of the Company from time to time or the directors present at a meeting of directors at which a quorum is present or any duly authorised committee thereof;
"BBC"	BancBoston Capital Holdings Limited, company number 1633009;
"business day"	means a day on which banks are open for inter-bank business in the City of London;
"clear days"	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"the Code"	means the July 2000 Edition of the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers;
"Connected Person"	means (in respect of any person ("the first person")): <ul style="list-style-type: none"> (a) any person or persons connected with the first person within the definition of connected persons contained in Section 839 of the Income and Corporation Taxes Act 1988; and

- (b) any person (including any person so connected with such a person) by whom the first person is employed or to whom the first person is a consultant;

and "persons connected" shall be construed accordingly;

"control" bears the same meaning as contained in s.416 Income and Corporation Taxes Act 1988 and "controlled" shall be construed accordingly;

"Controlling Interest" means shares representing not less than 30% of Voting Rights;

"CRP Shares" means the Cumulative Redeemable Preference Shares of £1.00 each in the capital of the Company;

"CRP Shareholder" means a Member who holds CRP Shares in his capacity as a holder of CRP Shares and not in his capacity as a holder of any other class of Shares;

"Fair Price" means the price per share determined in accordance with Article 6.1;

"Family Trust" means in relation to an Original Member, a trust, whether arising under:-

- (a) a settlement *inter vivos*; or
- (b) a testamentary disposition by whomsoever made; or
- (c) on intestacy;

in respect of which shares in the Company are held under which no immediate beneficial interest in the shares in question is for the time being vested in any person other than the Original Member concerned or a Privileged Relation of such Original Member and no power of control over the voting powers conferred by such shares is for the time being exercisable by or subject to the consent of any person other than the trustees or the Original Member concerned or a

Privileged Relation of such Original Member provided that a trust shall not fall within this definition unless it has legal capacity to grant warranties and indemnities in any contract it may enter into in connection with a Sale or a Listing;

"Fixed Dividend"	bears the meaning ascribed to it in Article 5.1(a);
"Fixed Dividend Date"	bears the meaning ascribed to it in Article 5.1(b);
"Flotation"	means the announcement of a decision by the UK Listing Authority to admit any securities in the capital of the Company to the Official List in accordance with paragraph 7.1 of the Listing Rules, or the granting of permission for any securities in the capital of the Company to be dealt in or traded on any recognised investment exchange (as defined in section 207 of the Financial Services Act 1986) (including the Alternative Investment Market) and "float" shall be construed accordingly;
"FSA"	means the Financial Services Authority;
"Group"	means the Company and any of its subsidiaries and "member of the Group" and "Group Company" means any of them;
"Interest Rate"	means 3% above the base lending rate from time to time of the Bank of Scotland ;
"Investor"	means BLS Holdings Special LP, a limited partnership established under the Limited Partnerships Act 1907 and having its principal place of business at 28 Rutland Square, Edinburgh EH1 2BW;
"Leaver"	means any holder of Shares (or the relevant Original Member) who is employed by or is a director of the Company and who ceases either to be a director or employee of the Company. For this purpose, a consultant shall be deemed to be an employee and references in these Articles to cessation of employment shall include cessation of

consultancy;

"Member"	means a member of the Company;
"the Office"	means the registered office of the Company from time to time;
"Ordinary Shares"	means the ordinary shares of £1.00 in the capital of the Company;
"Ordinary Shareholder"	means a Member who holds Ordinary Shares;
"Original Member"	means (i) Raymond Abbott of 5 Barnton Park, Edinburgh EH4 6JF, (ii) John Morrison of 2 Rose Place, Bonnyrigg, Midlothian EH19 3RJ, (iii) Iain Christie of Flat 2F3, 74 Leamington Terrace, Edinburgh EH10 4JU; and (iv) Alan Watt of 18 Denham Green Terrace, Edinburgh EH5 3PD;
"Paid Up"	means paid up or credited as paid up and "Paid Up Amount" in respect of any Share includes the amount of any premium paid on such Share;
"Partnership Agreement"	means the partnership agreement constituting the Investor;
"Privileged Relation"	means the spouse of an Original Member or any child or any step child or adopted child of an Original Member;
"Register"	means the register of members of the Company;
"Return Date"	the date on which the Redemption Monies are paid in accordance with Article 5.4(c);
"Sale"	means either the acquisition of a Controlling Interest by any person or by persons who in relation to each other are Connected Persons or the completion of any agreement for the sale of assets representing not less than 75% of the total assets of the Company from time to time;
"Shares"	means the shares in the capital of the Company;

"Shareholder"	means a Member who holds Shares;
"Shareholder Director"	means a director appointed in accordance with Article 5.5;
"subsidiary"	shall have the meaning ascribed thereto by Section 736 of the Companies Act 1985 (as amended by the Companies Act 1989) and shall include 'subsidiary undertaking' as defined by the Companies Act 1985 (as amended by the Companies Act 1989);
"Table A"	means Table A set out in the Companies (Tables A to F) Regulations 1985 as amended to the date of the adoption of these Articles;
"Transfer Notice"	means a notice in writing to the Company given or deemed to be given by a Member or person proposing to transfer any Share or dispose of any interest in any Share;
"Trustees"	means, in relation to any Original Member, the trustees of a Family Trust of that Original Member;
"Voting Rights"	means the right to receive notice of, attend (in person or by proxy), speak (in person or by proxy) at and vote (in person or by proxy) in all circumstances at general meetings of the Company and/or of meetings of the class of shares concerned;

3. Interpretation

- 3.1 References to writing include typewriting, printing, lithography, photography and other modes of representing or reproducing words in a legible and non-transitory form.
- 3.2 Any words or expressions defined in the Act as at the Adoption Date will where the context permits bear the same meaning in these Articles.
- 3.3 References in these Articles to the serving of notices by any particular method shall be construed as permissive only and shall not exclude the service or delivery of notice by any other means.
- 3.4 The Schedule shall be deemed to form part of and be construed as one with these Articles.

- 3.5 Where for any purpose an ordinary resolution of the Company is required, a special or extraordinary resolution shall also be effective and, where an extraordinary resolution is required, a special resolution shall also be effective.

SHARE CAPITAL

4. The share capital of the Company is £171,001 divided into 1000 Ordinary Shares, 170,000 CRP Shares and 1 A Share.¹

THE SHARES

5. The rights and restrictions attaching to the Shares are as follows:-

Income

- 5.1 (a) First the CRP Shares shall confer on the holders thereof the right, in priority to any rights of the holders of any other class of Shares, to receive a fixed cumulative preferential dividend (the "Fixed Dividend") at a rate of 8% per annum of the Paid Up Amount of such CRP Shares net of any tax payable thereon.
- (b) Subject as provided below, the Fixed Dividend shall accrue from day to day and the net amount paid half-yearly on 30th September and 31st March in each year (each such date being a "Fixed Dividend Date") and such Fixed Dividend shall become a debt due by the Company on such dates and shall subject to the Act be paid on such dates without any resolution of the Directors or the Company in general meeting provided that the first payment of Fixed Dividend shall become due on 31st March 2002 in respect of the period from the date of allotment of the CRP Shares to such date (the "First Payment"). The second payment of the Fixed Dividend shall become due on 30th September 2002 in respect of the period from 1st April 2002 to 30th September 2002 (the "Second Payment") and the third payment of the Fixed Dividend shall become due on 31st March 2003 in respect of the period from 1st October 2002 to 31st March 2003 (the "Third Payment"). Provided always that any failure by the

¹ Pursuant to a written resolution of the shareholders dated 24 June 2003, 170,000 CRP Shares were redeemed by the Company on 1st August 2003. The single A Ordinary Share was purchased, and subsequently cancelled, by the Company, pursuant to a written resolution of the shareholders dated 24 June 2003, on 1st August 2003. Pursuant to a written resolution of the shareholders dated 29th October 2003 each of the issued and unissued Ordinary Shares of £1 each was sub-divided into 100 Ordinary Shares of £0.01 each.

Company to pay the First Payment, Second Payment or Third Payment on 31st March 2002, 30th September 2002 or 31st March 2003 respectively shall not entitle the CRP Shareholders to vote at any general meeting of the Company pursuant to Article 5.8 and further provided that although such outstanding First Payment, Second Payment or Third Payment (as relevant) shall become a debt due by the Company no interest will accrue or be payable on such amount for the purpose of Article 5.1(e); provided that, in the event that any amount of the First Payment, Second Payment or Third Payment (as relevant) remains outstanding as at the earlier of 30th September 2003 or 30 days after the date on which commitments being made to the Albany Ventures Fund III Limited Partnership amount to at least £35 million, interest at the Interest Rate will accrue on such outstanding amounts in the case of (i) the First Payment from 31st March 2002, and/or (ii) the Second Payment from 1st October 2002, and/or (iii) the Third Payment from 1st April 2003, and the provisions of Article 5.8 will apply;

- (c) In the event of any CRP Shares being redeemed in accordance with Article 5.4, then the holder of such shares shall be entitled to receive an amount of Fixed Dividend *pro rated* according to the number of days in such financial year up to (and including) the date of redemption.
- (d) In the event of the profits of the Company available for distribution at any time being insufficient to cover the amount of the Fixed Dividend, the profits available as aforesaid shall be applied towards payment of the Fixed Dividend and the amount of the shortfall (together with interest, if any, at the Interest Rate) shall be paid out of subsequent profits available for distribution and that prior to any subsequent Fixed Dividend and all dividends payable on all other classes of shares in the capital of the Company.
- (e) In the event that any Fixed Dividend is not paid on the relevant Fixed Dividend Date then such sum shall become forthwith a debt due by the Company and interest shall accrue on the amount of such dividend at the Interest Rate.

- 5.2 Subject to and conditional upon (i) payment in full of the Fixed Dividend and all arrears of the Fixed Dividend (together with

any associated interest), (ii) the satisfaction of any regulations or requirements by the FSA and any other regulatory authority relating to capital adequacy of the Group and (iii) to payment in full of any redemption amount payable in respect of the CRP Shares if it has fallen due for payment (together with any arrears of interest thereon) and (iv) to the provisions of Article 5.9, a dividend amounting in total to 66.66% per annum of the distributable profits in any financial year (less the Fixed Dividend paid in respect of such financial year) shall be distributed amongst the holders of the Ordinary Shares *pari passu* according to the number of Ordinary Shares respectively held by them.

Capital

5.3 On a return of assets on liquidation, reduction of capital or otherwise the surplus assets of the Company remaining after the payment of its liabilities shall be applied as follows subject to Article 5.9:-

- (a) First in paying to the holders of the CRP Shares then in issue (if any) the Paid Up Amount in respect of each of the CRP Shares held by them respectively together with a sum equal to any arrears, deficiency or accruals of the Fixed Dividend (together with any associated interest) calculated down to the Return Date and to be payable irrespective of whether such dividend has been declared or earned or not.
- (b) Second, and subject to Article 5.3(a) the balance of such assets shall belong to and be distributed amongst the holders of the Ordinary Shares then in issue *pari passu* according to the number of Ordinary Shares respectively held by them.

Redemption

5.4 Subject to the capital requirements of the Company or its subsidiaries imposed by the FSA:

- (a) The CRP Shares shall be redeemed at a price per share equal to the Paid Up Amount on such shares on a date selected by the Company falling on or after the third anniversary of the allotment of the CRP Shares (the "Redemption Date").
- (aa) Notwithstanding the terms of Article 5.4(a), subject to the provisions of the Act and any FSA capital requirements, the Company shall redeem all of the CRP Shares at a price per share equal to the Paid Up Amount on such shares and make a payment in respect of the

redemption of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares at any time up to 3 months following the approval of such redemption by resolution of all the members of the Company and on such date as shall be prescribed in such approval and upon such redemption all arrears and accruals of any Fixed Dividend and interest thereon due in respect of such shares shall be deemed to have been waived by that person who held the shares immediately before they were redeemed and the Company shall not be liable to make any payment in respect thereof.

- (b) The Company shall be bound to redeem all of the CRP Shares on the earliest of:-
 - (i) Flotation; or
 - (ii) Sale; or
 - (iii) Termination of the Partnership Agreement or circumstances arising entitling the partners thereto to determine the Partnership Agreement by reason of any of the circumstances in the Schedule to the same; or
 - (iv) Material breach of any of the rights relating to the CRP Shares and/or "A" Share and/or of the Investor or holder of the "A" Share under the Subscription Agreement pursuant to which those shares were subscribed; or
 - (v) 30 days after the earlier of 30th September 2003 or commitments being made to the Albany Ventures Fund III Limited Partnership for at least £35 million, save to the extent that redemption monies concerned are required to be retained by the Group for the purposes of meeting any capital requirements of its FSA authorisation.
- (c) Upon the Redemption Date or the earlier occurrence of any of the other matters specified in Article 5.4(b) the sum required to redeem the CRP Shares together with all arrears and accruals of any Fixed Dividend and interest thereon due in respect of such shares ("the Redemption Monies") shall become a debt due and payable by the Company in respect of the CRP Shares to the holders of the CRP Shares and upon receipt of the relevant share certificate (or an indemnity from the holder in respect thereof in a form satisfactory to the Board acting reasonably) the Company shall so far as lawful forthwith pay the Redemption Monies to the appropriate CRP Shareholder.
- (d) There shall be paid on each CRP Share redeemed in accordance with this Article a sum equal to any arrears, deficiency or accruals of the Fixed

Dividend to be calculated down to the date of redemption whether such dividend has been declared or earned or not so that for the purposes of these Articles, the Fixed Dividend shall be deemed to accrue on a daily basis and shall cease to accrue on any CRP Share upon the date of redemption thereof.

- (d) Any redemption of any CRP Shares pursuant to this Article shall be carried out by the Company *pro rata* according to the number of CRP Shares held by each holder thereof at the date of such redemption.
- (e) If the Company shall fail to pay the Redemption Monies due in respect of a redemption of CRP Shares pursuant to the provisions of this Article on the due date then the Redemption Monies outstanding shall bear interest until paid at the Interest Rate, including after and notwithstanding any liquidation of the Company.

Shareholder Directors

- 5.5.1 Subject to Article 5.5.2 any Ordinary Shareholder who, together with any Privileged Relation or Family Trust to whom he has transferred Ordinary Shares, from time to time holds in aggregate 20% or more of the nominal amount of the issued Ordinary Shares may by notice in writing expressed to be given pursuant to this Article 5.5 addressed to the Company and delivered to the Office appoint himself as a director of the Company (a "Shareholder Director") being entitled to all notices and to exercise Voting Rights and in all other respects be treated as the other directors.
- 5.5.2 The rights afforded by Article 5.5.1 shall only be capable of exercise by an Ordinary Shareholder who is an Original Member and then only if:-
 - (a) the circumstances in Article 13.5 do not apply to him; and
 - (b) he continues to be an employee of a member of the Group or has ceased to be such an employee otherwise than as a result of his dismissal for breach of duty or other reason expressly permitting the Company summarily to dismiss him or his resignation at a time when he could have been so dismissed; and
 - (c) he is not at the time engaged or interested, directly or indirectly (apart solely through being a holder for investment purposes of shares in a company whose shares or securities are listed or dealt in on a

recognised investment exchange) in any company or business which in the reasonable opinion of the Directors of the Company is carrying on business in competition with the Company or any member of the Group or any investee company in which the Company or any member of the Group has an interest.

A Shareholder Directors

- 5.6.1 The A Shareholder may by notice in writing expressed to be given pursuant to this Article 5.6 addressed to the Company and delivered to the Office appoint a director of the Company being entitled to all notices and to exercise Voting Rights and in all other respects be treated as the other directors.
- 5.6.2 If the A Shareholder does not choose to appoint a director under Clause 5.6.1 above, the A Shareholder may instead opt to appoint an observer who shall be entitled to receive notice of and attend and speak at all board meetings but shall not be entitled to vote at such meetings .
- 5.6.3 An "A" Shareholder may also by notice in writing expressed to be given pursuant to this Article 5.6 and addressed to the Company and delivered to the Office remove any director of the Company or observer appointed by it pursuant to the foregoing provisions in this Article 5.6 and (subject to such removal) appoint another person in his place.
- 5.6.4 If any resolution is proposed in general meeting for the removal of any director appointed by an "A" Shareholder pursuant to this Article 5.6 or to restrict or delete this Article 5.6, such resolution shall not be capable of being passed unless an "A" shareholder is present in the quorum at the time the resolution is proposed to be passed (and at any such meeting the "A" shareholder shall be entitled to demand a poll and upon such poll being taken shall be entitled to exercise such total number of votes in respect of the "A" share as shall equal twice the total number of votes passed on such resolution by all other shareholders of the Company.)
- 5.6.5 A director or observer appointed pursuant to this Article 5.6 shall be entitled to appoint an alternate pursuant to Article 15 without the requirement for approval of the other directors as therein stated.

Voting

- 5.7 On a show of hands every Ordinary Shareholder who (being an individual) is present in person or by proxy or (being a

corporation) is present by a duly authorised representative shall have one vote and on a poll every Ordinary Shareholder so present or represented shall have one vote for each Ordinary Share of which he is the registered holder.

- 5.8 The CRP Shareholders shall be entitled to receive notices of and to attend but shall not be entitled to vote at any general meeting of the Company unless:-

- 5.8.1 the meeting is held at any time when any amounts (whether of Fixed Dividend or Redemption Monies or interest thereon) are outstanding and unpaid when due (or when the same would actually have become due but for any provisions of the Act) in respect of the CRP Shares; or
- 5.8.2 the resolution or resolutions concerned relate to the winding up of the Company or a return of capital or other distributions on its shares and/or directly or indirectly alter or abrogate any of the special rights and privileges attaching to the CRP Shares.

in which event each holder of CRP Shares present in person or by proxy or corporate representative shall be entitled on a show of hands to one vote and on a poll to one vote for every CRP Share for which he is a holder. During any period in which the default circumstances in paragraph 5.8.1 of this Article apply, any holder of CRP Shares may convene a general meeting, by such notice as is required by the Act and these Articles, as if such holder had full and immediate authority on behalf of the directors for that purpose. The Company shall be provided with a copy of the notice convening the meeting at the same time as it is sent to the members entitled to receive the same.

A Share

- 5.9 Notwithstanding any of the other provisions of these Articles including (without limitation) Article 5, the "A" Shareholder shall be entitled by virtue of its holding of the "A" Share to such dividend, return of capital, Voting Rights or rights upon a sale and pre-emption rights (whether on an issue or transfer of shares or grant of options or warrants to subscribe or otherwise) as are equal to that which would be received by the holder of 12% of the total issued ordinary share capital of the Company, subject as provided below. The balance (being initially 88%) of such rights will be for the benefit of the holders of the other Ordinary Shares in issue, pro rata to the number of such Ordinary Shares held by them respectively. The 12% entitlement of the "A" Share will be diluted pro rata in the event

(and only in the event) of the issue of any new Ordinary Shares in the Company after the date of issue of the "A" Share provided that such dilution (when taken together with any similar dilution effect of any issue (or grant of options or warrants to subscribe or otherwise acquire) of any other type of equity share capital of the Company) shall in no event reduce the percentage entitlement of the holder of the "A" Share to below 10%.

Class Rights

- 5.10 The Company and its members acknowledge that the assurances provided to the "A" Shareholder and the Investor in Clause 5 of a subscription agreement dated 31st May 2001 made between (1) the Company (2) Raymond Abbott and Others (3) the Investor (4) Alan Watt and (5) BBC are and shall constitute specific class rights attaching to the "A" Share and the CRP Shares and particulars of such rights shall be made available by the Company to any member promptly after request therefor.
- 5.11 For the avoidance of doubt the variation, modification, abrogation or cancellation of Article 5.10 or of any other provisions of these Articles which contain or affect any class rights attaching to any shares in the capital of the Company shall require the approval of an Extraordinary Resolution passed as a separate class meeting of the holders of the issued shares of the class concerned, or the consent in writing of the holders of 75% or more of nominal value of the issued shares of that class.
- 5.12 In exercising any class rights or Voting Rights as the holder of any particular class of share, a shareholder shall be entitled to exercise such rights in its absolute discretion as it sees fit including for the avoidance of doubt without regard to the interest of any other holder of the same class of shares or the rights of holders of that particular class as a whole.

PURCHASE OF OWN SHARES

- 5A Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

INCREASE, CONSOLIDATION, SUB-DIVISION AND CANCELLATION

- 5B The Company may from time to time by ordinary or written resolution:

- (a) increase its share capital by such sum to be divided into shares of such amount as the resolution shall prescribe;
- (b) consolidate or consolidate and then divide, all or any of its share capital into shares of larger amount than the existing shares;
- (c) sub-divide all or any of its shares into shares of smaller amount than is fixed by the Memorandum and the resolution may determine that, as between the shares resulting from the sub-division, any of them may be given any preferred, deferred or other rights or be subject to any restrictions as the Company has the power to attach to unissued or new shares as compared with the others; and
- (d) cancel any shares which, at the date of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

TRANSFERS OF SHARES

- 6.1
- (a) No share or beneficial ownership of a share shall be transferred nor shall the Company purchase any of its own shares unless and until the rights of pre-emption hereinafter conferred shall have been exhausted.
 - (b) Any member proposing to transfer any share or beneficial ownership of any share ("the Vendor") shall issue a Transfer Notice to the Company of such proposal. The Transfer Notice shall specify the sum which in the Vendor's opinion constitutes the fair price of each share specified therein, and shall constitute the Company the Vendor's agent for the sale of such share or shares ("the Said Shares") in one or more lots at the discretion of the Director to the Members holding shares of the same class as the shares offered for sale (other than the Vendor), at that price save that if the Directors do not accept that the sum specified by the Vendor constitutes the fair price of the Said Shares they shall within 3 days thereafter instruct the Auditors of the Company (who shall act as experts and not as arbitrators so that any provisions of law or statute relating to arbitration shall not apply) to certify by certificate in writing ("the Certificate of Value") within 14 days of being so instructed the value in their opinion of the Said Shares as between a willing seller and a willing buyer, having regard to the past performance and future prospects of the Company, and without discount or premium for the shares concerned representing respectively a minority or a majority holding of shares in the Company ("the Fair Price") and in such a case the Transfer Notice shall nevertheless constitute the Company the Vendor's agent for the sale of the

Said Shares but at the price certified in the Certificate of Value such certificate to be final and binding on all parties.

- (c) If the Auditors are instructed to certify the Fair Price as aforesaid the Company shall, as soon as it receives the Certificate of Value, furnish a copy thereof to the Vendor. The cost of obtaining the Certificate of Value shall be borne by the Company. In the event that the Vendor shall not be satisfied with the Fair Price as certified in the Certificate of Value the Vendor may within 5 days of receipt of the Certificate of Value withdraw his Transfer Notice, provided that the Transfer Notice was not mandatorily required by these Articles of Association, and in that event the Vendor shall bear the costs of obtaining the Certificate of Value but otherwise the Transfer Notice shall be of no effect and, where relevant, the Company shall notify each Member that any Offer Notice issued pursuant to paragraph (d) in respect of such Transfer Notice has been withdrawn and shall itself also be of no effect.
- (d) Upon the Fair Price being fixed as aforesaid (whether by reference to the Vendor's opinion of the fair price or by reference to the Certificate of Value) the Company shall forthwith by notice in writing ("the Offer Notice") inform each Member holding shares of the same class as those offered for sale (other than the Vendor) of the number and price of the Said Shares and shall invite each such Member to apply in writing to the Company within 21 days of the date of despatch of the Offer Notice (which date shall be specified therein) for such maximum number of the Said Shares (being all or any thereof) as he shall specify in such application.
- (e) If such Members shall within the said period of 21 days apply for all or (save as otherwise provided in the Transfer Notice) any of the said shares, the Directors shall allocate the Said Shares (or so many of them as shall be applied for) to or amongst the applicant Members in proportion as nearly as may be to the numbers of shares of the same class in the Company of which they are registered or unconditionally entitled to be registered as holders provided that no applicant Member shall be obliged to take more than the maximum number of shares specified by him as aforesaid. If any shares shall not be capable without subdivision of being allocated to the Members in proportion to their existing holdings, the same shall be allocated to the applicant Members, or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto and the lots shall be drawn in such manner as the Directors think fit.

- (f) In the event that upon the expiry of the said period of 21 days Members holding the same class of shares as the Said Shares do not accept the invitation to purchase all or any of the Said Shares, the relevant Said Shares shall be offered to Members holding different classes of shares from the Said Shares in the same manner as such Said Shares were offered to Members holding the same class of shares as set out in Articles (d) and (e) above.
 - (g) The Company shall forthwith give notice of such allocations ("the Allocation Notice") to the Vendor and to the Members to whom the Said Shares have been allocated and shall specify in the Allocation Notice the place and time (being not earlier than 14 and not later than 28 days after the date of the despatch of the Allocation Notice, which shall be specified therein) at which the sale of the Said Shares so allocated shall be completed.
 - (h) The Vendor shall be bound (upon payment of the purchase price due in respect thereof) to transfer the shares comprised in the Allocation Notice to the purchasing Members named therein at the place and time therein specified; and if in any case the Vendor after having become bound as aforesaid makes default in transferring any shares the Company receive the purchase price on his behalf, and may authorise some person to execute a transfer of such shares in favour of the purchasing Member. The receipt of the Company for the purchase price shall be a good discharge to the purchasing Member. The Company shall forthwith pay the Purchase price into a separate bank account in the Company's name and shall hold the purchase price and any interest earned thereon in trust for the vendor.
 - (i) During the 6 months following the expiry of the period of 21 days referred to in Article (e) or Article (f) (as appropriate) the Vendor shall be at liberty subject nevertheless to the provisions of Article (j) to transfer to any person (including the Company) and at any price (not being less than the price fixed under Article (b) any of the Said Shares not allocated by the Directors as aforesaid.
 - (j) The Directors may decline to register any transfer of any share which is not made in accordance with the provisions of these Articles.
- 6.2 Notwithstanding any other provisions of these Articles but subject as hereinafter provided a transfer of any Ordinary Shares in the Company held by an Original Member may be made between that Original Member and any Privileged Relation and any Trustee (and from one such Trustee to any successor Trustee) provided that such transferee

shall prior to such transfer taking place first enter into any agreement with the other shareholders of the Company as the Directors shall reasonably require agreeing to be bound by the provisions of any agreement amongst the shareholders of the Company as though an original party to such agreement.

- 6.3 If any Original Member shall become a Leaver at a time when any Privileged Relation and/or Trustee of his shall hold any Shares, the Privileged Relation(s) and Trustee(s) shall also be obliged by Article 10.1 to serve a Transfer Notice or Transfer Notices in respect of their entire holdings of Shares at the Specified Price provided in Article 10.1.
- 6.4 If any Privileged Relation or Trustee in relation to any Original Member shall cease to be a person of that capacity whilst holding any Shares and shall fail within 28 days thereafter to transfer the Shares back to the Original Member concerned within 28 days of such event then the provisions of Article 10.1 shall apply to such Privileged Relation and/or Trustee as if they themselves are a Leaver as of the end of such 28 day period.
- 6.6 Notwithstanding any other provisions of these Articles but subject as hereinafter provided any shares in the Company may be transferred between any member or members of the BancBoston Group without restriction provided that if any such transferee shall cease to be a member of the BancBoston Group it shall within 28 days of such event transfer the shares concerned to a continuing member of BancBoston Group failing which it shall on the expiry of such 28 days period be deemed to have served a Transfer Notice in respect of all such shares at a Specified Price equal to the Fair Price thereof as determined by the Auditors in accordance with Article 6.1

SHARE CERTIFICATES

- 7.1. Every person whose name is entered as a holder of any Shares in the Register is entitled, without payment, to receive one certificate for all such Shares of any one class or several certificates each for one or more of such Shares of such class upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board from time to time determines.
- 7.2. In the case of a Share held jointly by several persons, delivery of a certificate to one of several joint holders shall for all purposes be sufficient delivery to all.
- 7.3 A Member who has transferred part of the Shares comprised in one certificate is entitled to a certificate for the balance without charge.
- 7.4 Every certificate will be issued (in the case of an issue of Shares) within two months (or within such period as the terms of the issue provide)

after allotment or (in the case of a transfer of fully paid Shares) within twenty eight days after lodgment of a transfer with the Company, not being a transfer which the Company is for the time being entitled to refuse to register and does not register.

- 7.5 Every certificate will specify the number and class and distinguishing numbers (if any) of the Shares to which it relates, and the amount paid up thereof. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates need not be autographic but may be affixed to such certificate by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.
- 7.6 If a Share certificate is defaced, lost or destroyed it may be replaced without charge but on such terms (if any) as to evidence and indemnity and to payment of the costs and reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of defacement, on delivery of the old certificates to the Company.

LIEN

- 8.1 The Company shall have a first and paramount lien on every Share (not being a fully paid Share) for all amounts payable in respect of such Share. The Company's lien on a Share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case waive any lien that has arisen or declare any Share exempt in whole or in part from the provisions of this Article.
- 8.2 Subject to these Articles the Company may sell, in such manner as the Board determines, any Share on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen clear days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of the intention to sell in default, has been served on the holder for the time being of the Share or the person entitled thereto by reason of his death or bankruptcy.
- 8.3 The net proceeds of the sale shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the Share prior to the sale) be paid to the person entitled to the Share at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the Shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the Shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any

irregularity in or invalidity of the proceedings relating to the sale.

CALLS ON SHARES

- 9.1 Subject to these Articles and to the terms of allotment the Board may make calls upon the Members in respect of any moneys unpaid on their Shares (whether in respect of nominal amount or premium), and each Member shall (subject to being given at least fourteen clear days' notice specifying when payment is to be made) pay to the Company as required by such notice the amount called on his Shares. A call may be postponed or revoked in whole or in part as the Board determines.
- 9.2 A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
- 9.3 A person upon whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the Shares in respect of which the call was made.
- 9.4 The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
- 9.5 If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom it is due shall pay interest on the amount unpaid from the day appointed for payment thereof to the time of actual payment at the rate fixed by the terms of allotment of the Shares or in the notice of call or, if no rate is fixed, at the appropriate rate (as defined in the Act), but the Board may waive payment of such interest wholly or in part.
- 9.6 Any amount payable in respect of a Share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if that amount had become due and payable by virtue of a call.
- 9.7 On the issue of Shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
- 9.8 The Board may receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon the Shares held by him and upon all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate as the Member paying such sum and the Board agree.

LEAVERS

- 10.1 Any Leaver shall (whether or not he has already done so) be deemed on the date of the earlier of cessation of employment or death (as the case may be) to have served a Transfer Notice in respect of his entire holding of Shares and the Specified Price shall be the Fair Price determined by the Auditors in accordance with Article 6.1(b).
- 10.2 Notwithstanding the provision of Article 6.1, the Company shall have first option in respect of the purchase of any shares which are the subject of a Transfer Notice issued in accordance with Article 10.1.

CHANGE OF CONTROL

- 11.1 Notwithstanding anything contained in these Articles, no sale or transfer of any shares conferring the right to vote at general meetings of the Company ("the Specified Shares") shall, if to be made to a person (other than to any Privileged Relation or Trustee) not a member of the Company as at the date this Article was adopted as an Article of Association of the Company and which would result if made and registered in a person or persons who was not a Member of the Company on that date obtaining a Controlling Interest in the Company, be made or registered unless the proposed transferee or transferees or his or their nominees has or have made an offer in writing to all shareholders alike ("a General Offer") to purchase all the issued shares in the share capital of the Company and that at the Specified Price (as hereinafter defined) and on the offer terms hereinafter set out, before such transfer is made or registered.
 - 11.1.1 For the purposes of this Article the 'Specified Price' shall mean a price per share at least equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for the Specified Shares to the holders thereof plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Specified Shares and in the event of disagreement such calculation shall be referred to an accountant (acting as an expert and not as an arbiter) nominated by the parties concerned (or, in the event of a 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.
 - 11.1.2 Notwithstanding Article 11.2.1 above:-
 - (A) the Specified Price for a CRP Share shall be an amount equal to the Redemption Monies (as determined in accordance with

Article 5.4) that would be payable on its redemption on the date of completion of the sale of such CRP Share to the offeror; and

- (B) if a General Offer is not made on a bona fide arms length basis (through being, without limitation, by an offeror which who is or who is an associate or connected person of an Original Member or another current shareholder of the Company) the Specified Price for the "A" Share shall be at least (if not already) its due proportion of the Fair Price (as defined in Article 6) of the entire ordinary share capital value of the Company at the time;
 - (C) in the case of the CRP Shares and/or "A" Share if any part of the Specified Price is payable, under the terms of the General Offer, otherwise than in cash, the holder(s) of the CRP Shares and "A" Share may at their option elect to take a price per share of such cash sum is equivalent to the non-cash consideration concerned as reasonably agreed by such holders, or in the event of disagreement, as determined by an accountant acting as provided in Article 11.2.1
- 11.2 A General Offer must be made in writing (stipulated to be open for acceptance for at least twenty-eight days) to all shareholders and shall include an undertaking by the person making the General Offer that neither he nor his Connected Persons have entered into more favourable terms or have agreed more favourable terms with any other shareholder for the purchase of shares.
- 11.3 A General Offer shall be accepted or rejected in writing within the time period stipulated and shall be deemed to have been rejected by a shareholder if he does not respond within such time period.
- 11.4 Any transfer of shares pursuant to such a General Offer shall not be subject to the restrictions on transfer otherwise contained herein.
- 11.5 If as the result of a General Offer made pursuant to this Article 18 any person or persons who in relation to each other are connected persons or persons Acting in Concert ("Acquiring Shareholder(s)") acquires a 75 per cent. (or greater) interest in the Ordinary Shares or the voting rights attaching thereto, the Acquiring Shareholder(s) may by written notice (each a "Compulsory Purchase Notice") to the holders of Ordinary Shares who have not accepted such offer (the "Minority Shareholders") require them to sell such Ordinary Shares at the Specified Price to the Acquiring Shareholder(s). Notwithstanding any other provision of these Articles for 28 days from the date of issue of the Compulsory Purchase Notices the Minority Shareholders shall not be entitled to transfer their Ordinary Shares to anyone except the Acquiring Shareholder(s). If any Minority Shareholders have not so transferred their Ordinary Shares within 28 days from the date of

service of the Compulsory Purchase Notice, the Acquiring Shareholder(s) shall promptly pay the Specified Price therefore to the Minority Shareholders and forthwith upon such payment the Acquiring Shareholder(s) shall have the power to execute transfers of the relevant Ordinary Shares for and on behalf of such Minority Shareholders and do such other things on their behalf as may be necessary to complete and give effect to such transfers.

GENERAL MEETINGS

- 12.1 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. Two members present in person or by proxy or, if corporations, by representatives duly authorised, shall be a quorum.
- 12.2 If a quorum is not present within half an hour of the time appointed for a general meeting the meeting, if convened on the requisition of members, shall be dissolved; in any other case it shall stand adjourned to such day and at such time and place as the directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.
- 12.3 Subject to the provisions of the Act, a resolution in writing signed by all the members of the Company who would be entitled to receive notice of and to attend and vote at a general meeting at which such resolution was to be proposed, or by their duly appointed attorneys or representatives, shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held. Any such resolution may consist of several documents in the like form each signed by one or more of the members or their duly appointed attorneys or representatives and the signature in the case of a corporate body which is a member shall be sufficient if made by a director or the secretary thereof or by its duly appointed attorney or representative.
- 12.4 A poll may be demanded at any general meeting by the Chairman or by any member present in person or by proxy or, if a corporation, by any representative duly authorised and entitled to vote. Regulation 46 of Table A shall be construed accordingly.
- 12.5 No resolution not previously approved by the Directors shall be moved by any member other than a Director at a general meeting unless the member intending to move the same shall have left a copy thereof with his name and address at the Registered Office of the Company three clear days prior to such meeting.
- 12.6 A notice of every general meeting shall be given to every member whether or not he shall have supplied to the Company an address within the United Kingdom for the giving of notices and Regulation

112 of Table A shall be construed accordingly.

DIRECTORS

- 13.1 Unless and until otherwise determined by ordinary resolution of the Company, the minimum number of Directors shall be two and the maximum number of Directors shall be 8. The quorum for a meeting of Directors shall be any two Directors.
- 13.2 No Director shall be required to hold shares of the Company in order to qualify for office as a Director, but he shall be entitled to receive notice of and attend and speak at all general meetings of the Company or of any class of members of the Company.
- 13.3 A Director who is in any way whether directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with Section 317 of the Act. Subject to such disclosure as aforesaid a Director may vote in respect of any contract or proposed contract or arrangement in which he is interested and if he does so vote his vote shall be counted and he may be counted in ascertaining whether a quorum is present at any meeting at which any such contract or proposed contract or arrangement shall come before the Directors for consideration and may retain for his own absolute use and benefit all profits and advantages accruing to him therefrom. For the purposes of this Article:-
 - 13.3.1 a general notice given 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; and
 - 13.3.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- 13.4 The Directors may dispense with the keeping of attendance records for meetings of the Directors or committees of the Directors. Regulation 100 of Table A shall be modified accordingly.
- 13.5 The office of a Director shall be vacated:-
 - 13.5.1 if he becomes bankrupt or suspends payment of or compounds with his creditors;
 - 13.5.2 if he becomes of unsound mind or a patient for the purpose of any statute relating to mental health or otherwise *incapax*;

- 13.5.3 if (not being a Director holding executive office as such for a fixed term) by notice in writing to the Company he resigns his office;
 - 13.5.4 if he is prohibited by law from being a Director or ceases to be a Director by virtue of the Act or any statutory modification or re-enactment thereof;
 - 13.5.5 if he shall for more than six months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office be vacated.
- 13.6 The Directors shall have power at any time, and from time to time to appoint any person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors.
- 13.7 The ordinary remuneration of the Directors shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree or, failing agreement, equally except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for such proportion of remuneration as relates to the period during which he has held office. The Directors may repay to any Director all such reasonable expenses as he may properly incur in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings of the Company or any class of members of the Company or otherwise in or about the business of the Company. In the event of any Director necessarily performing or rendering any special duties or services to the Company outside his ordinary duties as a Director the Directors may, if so authorised by an ordinary resolution of the Company, pay such Director special remuneration and such special remuneration may be by way of salary, commission, participation in profits or otherwise as may be arranged.
- 13.8 The Directors may from time to time appoint one or more of their number to an executive office (including that of Managing Director, Deputy or Assistant Managing Director, Manager or any other salaried office) for such period and on such terms and conditions as they shall think fit, and subject to the terms and conditions of any agreement entered into in any particular case, may revoke such appointment. Subject to the terms and conditions of any such agreement the appointment of any Director as aforesaid shall be *ipso facto* determined if he ceases from any cause to be a Director. Regulation 72 of Table A shall extend to the posts of Deputy or Assistant Managing Director or Manager aforesaid.
- 13.9 A Managing Director, Deputy or Assistant Managing Director,

Manager or other executive officer as aforesaid shall receive such remuneration (either by way of salary, commission, participation in profits or pension or otherwise howsoever, whether similar to the foregoing or not) as the Directors may determine.

- 13.10 The Directors on behalf of the Company and without the approval of any resolution of the Company may establish, maintain, participate in and contribute to, or procure the establishment and maintenance of, participation in and contribution to, any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of any persons (including Directors, former Directors, officers and former officers) who are or shall have been at any time in the employment or service of the Company or of any company which at the time is or was a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company (as defined in Section 736 of the Act) or otherwise associated with the Company or of the predecessors of the Company in business or of any such other company as aforesaid, or for the benefit of the relations, wives, widows, families, connections or dependants of any such persons or for the benefit of any other persons whose service or services have directly or indirectly been of benefit to the Company and their relations, connections or dependants, and the Directors on behalf of the Company and without the approval of any resolution of the Company may grant or procure the grant of donations, gratuities, pensions, allowances, including allowances on death, or other payments or benefits of any kind to any of such persons as aforesaid; and the Directors on behalf of the Company and without the approval of any resolution of the Company may establish, subsidise, subscribe to or support institutions, associations, clubs, schools, funds or trusts calculated or considered to be for the benefit of any of such persons as aforesaid or otherwise for the advancement of the interests and well-being of the Company or of any such other company as aforesaid or its members; and the Directors on behalf of the Company and without the approval of any resolution of the Company may make payments for or towards the insurance of any of such persons as aforesaid. Any such Director or ex-Director may participate in and retain for his own benefit any such donation, gratuity, pension, allowance, payment or other benefit conferred under or pursuant to this Article and the receipt thereof shall not disqualify any person from being or becoming a Director of the Company.
- 13.11 The Directors on behalf of the Company and without the approval of any resolution of the Company (but subject to the provisions of Sections 151 to 158 of the Act) may establish and contribute to any employees' share scheme (within the meaning of Section 743 of the Act) for the purchase or subscription by trustees of shares of the Company or of a holding company of the Company and may lend money to the Company's employees to enable them to purchase or subscribe for

shares of the Company or of a holding company of the Company; and may establish and maintain any option or incentive scheme whereby selected employees (including salaried Directors and officers) of the Company are given the opportunity of acquiring shares in the capital of the Company; and may formulate and carry into effect any scheme for sharing the profits of the Company with its employees (including salaried Directors and officers) or any of them. Any Director may participate in and retain for his own benefit any such shares, profit or other benefit conferred under or pursuant to this Article and the receipt thereof shall not disqualify any person from being or becoming a Director of the Company.

- 13.12 The Directors shall not be subject to retirement by rotation and accordingly all references in Table A to retirement by rotation shall be disregarded.
- 13.13 A resolution in writing signed by all the Directors shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors.
- 13.14 All or any of the members of the Board or any committee of the Board may participate in a meeting of the Board or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other and provided two or more Directors are participating as aforesaid such meeting shall be quorate and subject to the provisions of these Articles the meeting shall constitute a meeting of the Board or a committee of the Board as the case may be. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.

BORROWING AND OTHER POWERS

14. Subject to the terms of any agreement made between the Company and its shareholders (or some of them) the Directors may exercise all the powers of the Company without limit as to amount to borrow and raise money and to accept money on deposit and to grant any security, mortgage, charge or discharge as they may consider fit for any debt or obligation of the Company or which is binding on the Company in any manner or way in which the Company is empowered so to grant and similarly as they may consider fit to enter into any guarantee, contract of indemnity or suretyship in any manner or way in which the Company is empowered so to enter into.

ALTERNATE DIRECTORS

- 155.1 Any Director may at any time by writing under his hand and deposited at the registered office, or delivered at a meeting of the Directors, appoint any person to be his alternate Director and may in like manner at any time terminate such appointment. If such alternate Director is not another Director or one of the shareholders in the Company, such appointment, unless previously approved in writing by a majority in number of the Directors, shall have effect only upon and subject to being so approved.
- 15.2 The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director (retirement at any general meeting at which the Director is re-elected being for such purpose disregarded).
- 15.3 An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his appointor is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability, an alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). An alternate Director shall not (save as aforesaid) have power to act as a Director or be deemed to be a Director for the purposes of these Articles.
- 15.4 An alternate Director may be repaid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company any remuneration except only such proportion (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.

INDEMNITY

16. Every Director or officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution or discharge of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in

which he is acquitted or in which the charge is found not proven or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to be incurred by the Company in the execution or discharge of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.