

The Companies Act 1985 and 1989

Company Limited by Shares

Written Resolution

of

Resource Development International Limited

I, the undersigned, being the sole member of the above named Company entitled to attend and vote at an extraordinary general meeting of the Company **HEREBY RESOLVE** that the resolutions set out below be and are passed as resolutions of the Company pursuant to the provisions of Section 381A of the Companies Acts 1985 and 1989 and confirm that such resolutions shall be valid and effectual as if they had been passed at an extraordinary general meeting of the Company duly convened and held:

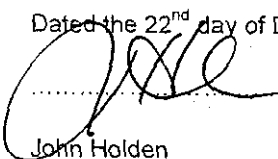
ORDINARY RESOLUTIONS

- 1 That the authorised share capital of the Company be hereby increased from £100,000 to £120,481 by the creation of 20,481 'B' Ordinary Shares of £1 each, and converting the 100,000 Ordinary Shares of £1 each already authorised in to 100,000 'A' Ordinary Shares of £1 each, such shares to rank in all respects in accordance with the rights and obligations attaching thereto by virtue of the Articles of Association of the Company from time to time;
- 2 That the directors be and are hereby unconditionally authorised for the purposes of section 80 of the Companies Act 1985 to allot and dispose of or grant options over the Company's shares to such person, on such terms, and in such manner as they think fit up to the total authorised share capital from time to time at any time during the period of five years from the date hereof.

SPECIAL RESOLUTIONS

- 3 That the directors are empowered pursuant to section 95(1) of the Companies Act 1985 to allot equity securities pursuant to the authority conferred by resolution 2 as if the provisions of sections 89(1) and 90(1) of the Companies Act 1985, and all pre-emption rights contained in the Company's Articles of Association did not apply to such allotment.
- 4 That the Company adopt in substitution for and to the exclusion of all existing Articles of Association, new Articles of Association in the form initialled by the Chairman of the Board of Directors of the Company for the purposes of identification only and that such new Articles of Association be the regulations of the Company.
- 5 The 100,000 Ordinary Shares of £1 each currently in issue be converted in to 100,000 'A' Ordinary Shares and their rights be as contained in the Articles of Association adopted in Special Resolution 4 above.

Dated the 22nd day of December 2006


John Holden

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SATURDAY



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20/01/2007

COMPANIES HOUSE

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Company No. 02450180

WE HEREBY CERTIFY THIS TO BE A TRUE
COPY OF THE ORIGINAL
Dated: 19/01/06
CLARKE WILLMOTT
138 Edmund Street, Birmingham B3 2ES

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

RESOURCE DEVELOPMENT INTERNATIONAL LIMITED

Incorporated on 7 December 1989

Adopted by special resolution passed
on 22 December 2006

NA

CONTENTS

| | | |
|----|--|----|
| 1 | Definitions and interpretation | 1 |
| 2 | Table A | 3 |
| 3 | Private company | 3 |
| 4 | Share capital and authority to allot | 4 |
| 5 | Shares | 4 |
| 6 | Variation of class rights | 4 |
| 7 | Provisions applying on every transfer of shares | 5 |
| 8 | Permitted transfers of shares | 5 |
| 9 | Pre-emption rights | 7 |
| 10 | Drag along and tag along rights | 10 |
| 11 | Compulsory transfer | 11 |
| 12 | General meetings | 13 |
| 13 | Number of directors | 14 |
| 14 | Alternate directors | 14 |
| 15 | Appointment, retirement and removal of directors | 14 |
| 16 | Disqualification and removal of directors | 15 |
| 17 | Proceedings of directors | 15 |
| 18 | Borrowing powers of directors | 15 |
| 19 | Notices | 16 |
| 20 | Indemnity | 16 |

Company No: 02450180

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

RESOURCE DEVELOPMENT INTERNATIONAL LIMITED

1 Definitions and interpretation

1.1 In these Articles unless the context otherwise requires:

- 1.1.1 **"A Ordinary Shares"** means the A ordinary shares of £1.00 each in the capital of the Company being subject to the rights and restrictions set out in these Articles and **"A Ordinary Shareholder"** shall be construed accordingly;
- 1.1.2 **"the Act"** means the Companies Act 1985;
- 1.1.3 **"acting in concert"** shall have the meaning given to that expression in the City Code on Takeovers and Mergers in force at the date of adoption of these Articles;
- 1.1.4 **"Available Profits"** means profits available for the purposes of distributions as defined in Part VIII of the Act;
- 1.1.5 **"B Ordinary Shares"** means the B ordinary shares of £1.00 each in the capital of the Company being subject to the rights and restrictions set out in these Articles and **"B Ordinary Shareholder"** shall be construed accordingly;
- 1.1.6 **"Board"** means the board of directors from time to time of the Company;
- 1.1.7 **"Business Day"** any day (other than a Saturday or Sunday or a bank or public holiday in England);
- 1.1.8 **"the Company"** Resource Development International Limited, company registration number 02450180;
- 1.1.9 **"connected person"** shall have the meaning given to that expression in section 839 of the Income and Corporation Taxes Act 1988;

- 1.1.10 **"Group"** means the Company and any subsidiary of the Company from time to time;
- 1.1.11 **"Group Company"** means each body corporate in the Group;
- 1.1.12 **"Independent Accountant"** means such firm of independent chartered accountants as the Board and the Compulsory Seller (as defined in Article 11.2) shall agree or, failing such agreement, as the president for the time being of the Institute of Chartered Accountants in England and Wales may nominate on the application of the Board;
- 1.1.13 **"Insolvency Event"** means in relation to an individual member such member being declared bankrupt pursuant to the Insolvency Act 1986;
- 1.1.14 **"Liquidation"** means the making of an order or passing of a resolution for the winding up of the Company;
- 1.1.15 **"Listing"** means the admission of any part of the Company's shares to the Official List of the UK Listing Authority and their admission to trading on London Stock Exchange plc's market for listed securities or the grant of permission for dealings on the Alternative Investment Market of London Stock Exchange or to trading on a Recognised Investment Exchange as approved by the Investors;
- 1.1.16 **"Majority Shareholder"** the holder or holders of a majority in number of the Shares;
- 1.1.17 **"Recognised Investment Exchange"** has the same meaning as that set out in section 285 of the Financial Services and Markets Act 2000;
- 1.1.18 **"Shares"** means the shares in the capital of the Company of whatever class being subject to the rights and restrictions set out in these Articles;
- 1.1.19 **"Shareholders"** means together, the holders of A Ordinary Shares and B Ordinary Shares and **"Shareholder"** shall be construed accordingly;
- 1.1.20 **"Third Party"** means an individual, partnership or company which does not at the proposed date of transfer own any equity share capital;
- 1.1.21 **"UK Listing Authority"** the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000

1.2 In these Articles, a reference to:

- 1.2.1 a "subsidiary" or "holding company" is to be construed in accordance with section 736 of the Act, a reference to a "subsidiary undertaking" or a "group undertaking" is to be construed in accordance with sections 258 and 259 of the Act and "equity share capital" has the meaning set out in section 744 of the Act;

- 1.2.2 a statutory provision includes a reference to:
- (a) the statutory provision as modified or re-enacted or both from time to time whether before or after the date of these Articles; and
 - (b) any subordinate legislation made under the statutory provision whether before or after the date of these Articles;
- 1.2.3 a person includes a reference to a body corporate, association or partnership;
- 1.2.4 a person includes a reference to that person's legal personal representatives and successors in title and their assigns from time to time;
- 1.2.5 references to the regulations are, unless the context otherwise requires to the regulations in Table A (as defined in Article 2.1) and reference to an Article by number is unless the context otherwise requires to the particular Article of these Articles;
- 1.2.6 an "associated company" is to be construed in accordance with the definition of "associate" contained in Chapter 11 of the Listing Rules of the UK Listing Authority;
- 1.2.7 singular includes plural, male includes female and vice versa;
- 1.2.8 references to days are to calendar days not working days.
- 1.3 The renunciation of a right to be allotted shares shall be treated as if it were a transfer of those shares and therefore shall be governed by Articles 7 to 11 inclusive.
- 1.4 References to shares are, unless the context otherwise requires, to shares of all and whatever denomination or classification in the Company.
- 1.5 The headings in these Articles shall not affect their construction or interpretation.

2 Table A

- 2.1 The regulations contained in Table A in the Schedule to the Companies (Tables A-F) Regulations 1985, as amended ("**Table A**"), apply to the Company except to the extent that they are excluded by or inconsistent with these Articles.
- 2.2 The first sentence of regulation 24 and regulations 64, 73 to 78, 80, 81, 115 and 118 of Table A do not apply.

3 Private company

The Company is a private company and accordingly any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

4 Share capital and authority to allot

- 4.1 The authorised share capital of the Company at the date of adoption of these Articles is £120,481 (One Hundred and Twenty Thousand, Four Hundred and Eighty One Pounds) divided into 100,000 A Ordinary Shares of £1 each and 20,481 B Ordinary Shares of £1 each.
- 4.2 The Board is generally and unconditionally authorised for the purposes of section 80 of the Act to exercise all the powers of the Company to allot relevant securities, and it may offer, allot, grant rights or warrants to subscribe for, grant options over or otherwise deal with or dispose of unissued shares in the capital of the Company, to such persons, on such terms, in such manner and at such times as it may determine. This authority shall expire five years from the date of adoption of these Articles, provided that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Board may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred hereby has expired, and in this Article 4.2 the expression "relevant securities" and references to the allotment of relevant securities shall bear the same respective meanings as in section 80 of the Act.

5 Shares

The rights attaching to the Shares are as follows:

5.1 Dividends

The Shareholders shall be entitled to receive all cash dividends that may be declared from time to time by the Company in General Meeting to be apportioned proportionately to the number of "A" Ordinary and "B" Ordinary (as if they constituted one class of shares) Shares held by each member. The dividends shall only be paid by the Company with the approval of the Majority Shareholder.

6 Variation of class rights

- 6.1 Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of 67% of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class by the holders of 67% in nominal value of shares of that class who attended and voted at such meeting, but not otherwise. To every such separate meeting, all the provisions of these Articles relating to general meetings of the Company, or to the proceedings at them shall apply (with appropriate changes) except that:
- 6.1.1 the necessary quorum shall for a meeting of any class of shareholders, be two persons (unless there is only one person holding shares of a particular class, in which case the quorum shall be one), each being a member, a proxy for a member or a duly authorised representative of a

member being a corporation, together holding or representing at least one third in nominal amount of the issued shares of that class;

6.1.2 if at any adjourned meeting, a quorum as defined above is not present the member or members who is/are present shall be a quorum; and

6.1.3 the holders of shares of the class in question shall, on a poll, have one vote in respect of every share of that class held by them.

7 Provisions applying on every transfer of shares

7.1 The Board shall not register a transfer of Shares unless such transfer is permitted by Article 8 (*Permitted Transfers*) or has been made in accordance with Article 9 (*Pre-emption Rights*) or, if appropriate Articles 10 (*Drag and Tag Along*), or 11 (*Compulsory Transfers*).

7.2 For the purpose of ensuring that a particular transfer of shares lodged for registration is permitted under, or made in accordance with, these Articles, the Board may require the transferor or the transferee named in that transfer to provide such information or evidence as the Board may reasonably think necessary or relevant. If such information or evidence is not provided to the satisfaction of the Board within 28 days after a request for it (or the first in a series of requests), the Board may refuse to register the transfer in question.

7.3 The Board may, in its absolute discretion and without giving any reason, refuse to register any transfer of any share which would otherwise be permitted under, or made in accordance with, these Articles if it is a transfer:

7.3.1 of a share on which the Company has a lien; or

7.3.2 of a share which is not fully paid.

7.4 An obligation to transfer a share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.

7.5 Regulations 30 and 31 shall be modified to reflect the provisions of this Article 7 and Articles 8, 9, 10 and 11.

8 Permitted transfers of shares

8.1 For the purposes of these Articles:

"Family Member" means, in relation to an A Shareholder, the spouse, widow or widower of that member and that member's children and grandchildren (including step and adopted children and grandchildren);

"Permitted Transfer" means any transfer of shares permitted under this Article 8;

"Relevant Shares" means, in relation to a member any shares for the time being held by that member or his Family Members; and

"Trust" means, in relation to a member, a trust under which no immediate beneficial interest in any of the Shares is for the time being vested in any person other than that individual and/or a Family Member of that individual.

- 8.2 A Ordinary Shares may be transferred to a Family Member or Trust of that member or from a Family Member or Trust to another Family Member or Trust of the same member or from the trustees of a Trust to any new trustees of the same Trust at any time provided that for the purposes of this Article 8.2, "member" (as used in the definition of "Family Member") does not include:

8.2.1 a bankrupt or a trustee in bankruptcy; or

8.2.2 any person to whom A Ordinary Shares have been transferred by way of Permitted Transfer under this Article 8 (provided that person may transfer A Ordinary Shares to the member from whom he received such Permitted Transfer).

- 8.3 If any Family Member who has acquired shares from a member pursuant to this Article 8 ceases to bear the relationship to that member by which the transfer qualified as a Permitted Transfer, that Family Member shall forthwith transfer the Relevant Shares back to that member for such consideration as they may agree or, in default of agreement within 28 days of the cessation, for the consideration (if any) for which that Family Member acquired them. In the event that such transfer is not effected within the prescribed time the Board may appoint any director to execute instruments of transfer in favour of the original member and shall procure that the name of the original member be entered into the register of members in respect of such shares. Similar provisions shall apply, mutatis mutandis, with regards a Trust which has acquired shares from a member pursuant to this Article and which ceases to satisfy the definition of a Trust such that the trustees of the Trust shall forthwith transfer the Relevant Shares back to that member or to another Family Member.

- 8.4 Subject to Article 10.5 any shares may be transferred to any person and on any terms with the written consent of the holders of at least 85% of the equity share capital.

- 8.5 Any shareholder may at any time transfer:

8.5.1 any share to an associated company of that Shareholder (provided that, in the event that any associated company which has acquired shares from an Shareholder ceases to be an "associated company" that "associated company" shall forthwith transfer such shares back to that Shareholder as provided for, mutatis mutandis, in Article 8.3 above); or

8.5.2 any share to that shareholder's nominee or bare trustee (provided that (i) beneficial ownership does not pass to such nominee or bare trustee and (ii) in the event that any such nominee or bare trustee acquires a beneficial interest or at any time holds such shares for any person other than that Shareholder it shall forthwith transfer such shares back to that Shareholder as provided for, mutatis mutandis, in Article 8.3 above).

- 8.6 Any Shareholder holding shares as a result of a transfer made after the date of the adoption of these Articles by a person in relation to whom such Shareholder was a permitted transferee under the provisions of this Article may at any time transfer any share to the person who originally transferred such shares (or to any other Permitted Transferee of such original transferor).
- 8.7 Subject to Articles 7.2 and 7.3, the Board shall be obliged to register any Permitted Transfer upon satisfying itself that the transfer concerned properly falls within the provisions of this Article 8.

9 Pre-emption rights

- 9.1 Any member who wishes to transfer Shares to a person to whom Article 8 does not apply (a **"Selling Shareholder"**) shall serve notice on the Company (a **"Sale Notice"**) stating the number of shares they wish to transfer (the **"Sale Shares"**) and the asking price for each share (the **"Asking Price"**).
- 9.2 The Sale Notice shall, once given, be irrevocable. The Selling Shareholder may state in the Sale Notice that he is only willing to transfer all the Sale Shares, in which case no Sale Shares can be sold unless offers are received for all of them but in the absence of such a statement, the Sale Notice shall be deemed not to contain such a statement.
- 9.3 The Sale Notice shall make the Company the agent of the Selling Shareholder for the sale of the Sale Shares on the following terms (which the Company shall notify to the other Shareholders within seven days of receiving the Sale Notice:
- 9.3.1 the price for each Sale Share is the Asking Price;
- 9.3.2 the Sale Shares are to be sold free from all liens, charges and encumbrances and together with all rights attaching to them;
- 9.3.3 subject to Article 9.6, Sale Shares of a particular class specified in column (1) of the table below shall be offered as follows to the Shareholders:
- (a) in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below; and
- (b) to the extent not taken up in accordance with Articles 9.4 and 9.5 by persons in column (2), to all persons in the category set out in the corresponding line in column (3) and to any bona fide arms-length Third Party Purchaser in accordance with Article 9.10.

| | (2) Offered first to | (3) Offered second to |
|-------------------|-------------------------|---|
| A Ordinary Shares | A Ordinary Shareholders | B Ordinary Shareholders and Third Parties |

| | (2) Offered first to | (3) Offered second to |
|--------------------------|-------------------------|---|
| B Ordinary Shares | B Ordinary Shareholders | A Ordinary Shareholders and Third Parties |

- 9.4 Subject to Article 9.5, members to whom Sale Shares are offered pursuant to Article 9.3.3 shall be entitled to apply by notice in writing to the Company for any number of Sale Shares (up to a maximum proportion of Sale Shares which equals the proportion which all the Shares then held by such member bears to all the Shares held by all offerees in that category) ("**Due Proportions**") within 14 days of receiving notification from the Company in accordance with Article 9.3.
- 9.5 Where the number of Sale Shares is more than the number of Sale Shares for which applications are made pursuant to Article 9.4, the excess shares ("**Excess Shares**") shall be provisionally allocated to the applicants (as nearly as possible) in their Due Proportions and the applicants notified of their greater entitlement on the day immediately after the First Closing Date. Those persons may (without being bound to do so) amend their application to buy any such Excess Shares within 7 days of notification of further provisional allotment.
- 9.6 In the table contained in Article 9.3.3 the references to Shareholders in column (2) and (3) shall not include any person who has already given or who is deemed to have already given a Sale Notice.
- 9.7 21 days after the Company's despatch of the terms for the sale of the Sale Shares ("**the First Closing Date**"):
- 9.7.1 a person specified in column (2) of the table in Article 9.3.3 in relation to such shares who has not responded to the offer in writing shall be deemed to have declined it; and
- 9.7.2 each application made (and not withdrawn) by any person (specified in column (2) of the table in Article 9.3.3 in relation to such shares) to acquire Sale Shares shall become an irrevocable offer to purchase the same on the terms contained in Articles 9.3.1 and 9.3.2.
- 9.8 If after the notice given pursuant to Article 9.5, there remain any Sale Shares for which applications have not been made then such remaining shares shall be offered to those persons shown in column (3) of the table pursuant to Article 9.3.3 and the provisions of Articles 9.4 to 9.7 (inclusive) shall be repeated in relation to such offer except that:
- 9.8.1 reference to the First Closing Date shall be replaced by reference to the Second Closing Date (which shall be the day falling 21 days after the offer was made to those persons shown in column (3));

- 9.8.2 reference to column (2) of the table in Article 9.3.3 shall be replaced by reference to column (3) of the table in Article 9.3.3.
- 9.9 Within 14 days after the Second Closing Date (or the First Closing Date if all of the Sale Shares have been applied for by then), the Company shall notify the Selling Shareholder and the persons who applied to buy Sale Shares of the result of the offer, and, if any Sale Shares are to be sold pursuant to the offer:
- 9.9.1 the Company shall notify the Selling Shareholder of the names and addresses of the persons who are to buy Sale Shares and the numbers to be bought by each;
- 9.9.2 the Company shall notify each person buying shares of the number of Sale Shares he is to buy; and
- 9.9.3 the Company's notice shall state a place and time, between 7 and 14 days later, on which the sale and purchase of the Sale Shares is to be completed, subject to Article 9.2.
- 9.10 In relation to any offer of unsold Sale Shares to a Third Party in accordance with Article 9.3.3(b), such transfer may only be made in relation to the Sale Shares for which offers were not received (or all the Sale Shares if the Sale Notice stated that the Selling Shareholder was only willing to transfer all the Sale Shares, and applications were not made for all the Sale Shares in accordance with the provisions of Articles 9.3 to 9.9) and in any case at no less than the Asking Price per share, with any other terms being no more favourable to the relevant Third Party than those in the Sale Notice and the Board shall be entitled to require such evidence as they deem necessary or desirable to satisfy themselves as to such terms and no transfer to any Third Party will be registered until such information is provided to the satisfaction of the Company and the Investors.
- 9.11 Without prejudice to the generality of Articles 7.2 and 9.10, the Board may require to be satisfied that any Sale Shares being transferred by a Selling Shareholder pursuant to Article 9.10 are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction rebate or allowance to the Third Party and if not so satisfied (acting reasonably) may refuse to register the instrument of transfer.
- 9.12 If having issued a Sale Notice (but subject to Article 9.2) the Selling Shareholder does not transfer Sale Shares, the Company may (but subject to Article 9.2) authorise any director to transfer the Sale Shares on the Selling Shareholder's behalf to the buying party concerned against receipt by the Company of the Asking Price per share. The Company shall hold the Asking Price in trust for the Selling Shareholder without any obligation to pay interest. The Company's receipt of the Asking Price shall be a good discharge to the buying shareholder. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Selling Shareholder shall surrender his share certificate for the Sale Shares to the Company. On surrender, he shall be entitled to the Asking Price for the Sale Shares.

10 Drag along and tag along rights

- 10.1 If at any time one or more Shareholders ("**Proposed Sellers**") propose to sell, in one or a series of related transactions, a majority of the Shares then in issue ("**a Majority Holding**") to a bona fide arm's length purchaser (or purchasers) who is (or are) not a connected person(s) ("**Third Party Purchaser**") the Proposed Sellers shall have the option ("**Drag Along Option**") to require all Shareholders to transfer all their shares to the Third Party Purchaser (or as it shall direct) in accordance with this Article 10.
- 10.2 The Proposed Sellers may exercise the Drag Along Option by giving notice to that effect (a "**Drag Along Notice**") to all other Shareholders ("**Called Shareholders**") not less than 20 Business Days before the transfer of the Major Holding. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to Article 10.1, the price at which the Called Shares are to be transferred calculated in accordance with Article 10.3 and the proposed date of transfer.
- 10.3 The Called Shareholders shall be obliged to transfer the Called Shares at the same price per Ordinary Share (and for the same form of consideration and on the same terms) as is to be paid by the Third Party Purchaser to the Proposed Sellers provided that in the event that the transfer of the Majority Holding has occurred over a series of related transactions the price shall be the average price paid for the Majority Holding and having regard to the transaction as a whole
- 10.4 Completion of the sale of the Called Shares shall take place on the same date as the date proposed by the Proposed Sellers for completion of the sale of the Major Holding unless:
- 10.4.1 all of the Called Shareholders and the Proposed Sellers agree otherwise; or
- 10.4.2 that date is less than seven days after the Drag Along Notice, in which case the date for completion of the sale of the Called Shares shall be the seventh day after the Drag Along Notice.
- 10.5 Notwithstanding the provisions of Articles 8.4 and 9 and unless the Drag Along Option has been exercised, no transfer or series of related transfers of any shares shall be made if when taken together with such other transfers it or they represent the transfer of 40% or more of the Shares then in issue unless, before the transfer (or transfers) is/are made, the proposed transferee(s) make(s) a written offer (open for acceptance in England for a period of at least 30 days from its delivery) to all the holders of Shares to purchase all their Shares then in issue (at the same time and on the same terms and conditions for each holder) ("**Tag Along Notice**") at a price per share at which the holders of 40% of the Shares propose to sell provided that in the event that the transfer of the 40% occurs by way of a series of related transfers the price per share shall be the average price paid per share and having regard to the transaction as a whole. No holder of Shares (including the Proposed Sellers) shall complete any sale of shares to the proposed transferee(s) unless the proposed transferee(s) completes the purchase of such number of Shares agreed to be sold simultaneously.

10.6 Article 9 does not apply to transfers of shares made in accordance with this Article 10.

11 Compulsory transfer

11.1 This Article 11 applies in the event of:

11.1.1 a holder of B Ordinary Shares ceasing for any reason to be an employee or director of any company in the Group (and not in such circumstances remaining as a director or employee of any other Group Company); or

11.1.2 the death of a holder of B Ordinary Shares;

11.1.3 an Insolvency Event in relation to a holder of B Ordinary Shares;

11.2 Within six months after the occurrence of an event specified in Article 11.1, the Majority Shareholder may, after consultation with the Board, serve notice (a **"Triggering Notice"**) requiring the relevant member (or his personal representatives or trustee in bankruptcy (as appropriate)) and any transferee of such member under Article 8 (each, a **"Compulsory Seller"**) to offer some or all of their shares including any shares which have been transferred pursuant to Article 8.2 (**"Compulsory Sale Shares"**) to any or all of the following categories of offeree (as a Majority Shareholder may require and specify in the Triggering Notice):

11.2.1 to a Custodian (in which case and to the extent necessary, a trust shall then be constituted by the Company in such form as is required or approved by a Majority Shareholder); or

11.2.2 in accordance with the order specified in the table in Article 9.3.3.

11.3 The Compulsory Seller shall offer his Compulsory Sale Shares to the offerees as directed pursuant to the Triggering Notice free from all liens, charges and encumbrances and together with all rights attaching to them on the terms set out in this Article 11.

11.4 The price for Compulsory Sale Shares shall be the price agreed between the Compulsory Seller and a Majority Shareholder or, if they do not agree a price within 14 days of the Majority Investor's notification under Article 11.2, as determined under Articles 11.5 to 11.6 (inclusive).

11.5 For the purposes of Article 11.4 the price for the Compulsory Sale Shares shall be the Market Value.

"Market Value" shall be:

$$\frac{SS \times MV}{OS}$$

where

SS = the relevant number of Compulsory Sale Shares
OS = the aggregate number of Shares
MV = the market value as determined in accordance with Article 11.6.

- 11.6 If agreement cannot be reached between a Majority Shareholder and any Compulsory Seller, the Independent Accountant shall be instructed to determine the fair market value of the Shares as if one class sold on the open market and on the basis of a willing vendor and a willing purchaser taking into account all such factors as the Independent Accountant may deem relevant but applying no discount by reason of the fact that the Sale Shares may constitute a minority interest (and conversely no premium because the shares may represent a majority interest). The fees of the Independent Accountant in acting pursuant to this Article 11.6 shall be borne and paid in such manner as the Independent Accountant shall think fit or, if they shall not so direct, (and if it is lawful) by the Company.
- 11.7 Within seven days after the price has been agreed or determined:
- 11.7.1 the Company shall notify the Compulsory Seller of the names and addresses of the offerees and the number of Compulsory Sale Shares to be offered to each as determined in accordance with Article 11.6 and (if appropriate) Article 9;
- 11.7.2 the Company shall notify each offeree of the number of Compulsory Sale Shares on offer to him; and
- 11.7.3 the Company's notices shall specify the price per share and state a date, between fourteen and twenty one days later (or, where the procedure in Article 9 is being followed, between seven and fourteen days after the First Closing Date or Second Closing Date (as applicable)), on which the sale and purchase of the Sales Shares is to be completed ("**Completion Date**").
- 11.8 By the Completion Date, the Compulsory Sellers shall deliver stock transfer forms for the Compulsory Sale Shares, with the relevant share certificates to the Company. On the Completion Date and provided that the offerees have put the Company in the requisite funds, the Company shall pay the Compulsory Seller, on behalf of each of the offerees, the agreed or certified price for the Compulsory Sale Shares. The Company's receipt for the price shall be a good discharge to the offerees.
- 11.9 To the extent that offerees have not, by the Completion Date, put the Company in funds to pay the agreed or certified price, the Compulsory Sellers shall be entitled to the return of the stock transfer forms and share certificates for the relevant Compulsory Sale Shares and the Compulsory Sellers have no further rights or obligations under this Article 11 in respect of the Compulsory Sale Shares.
- 11.10 If a Compulsory Seller fails to deliver stock transfer forms for Compulsory Sale Shares to the Company by the Completion Date, and provided that the offeree has,

by the Completion Date, put the Company in funds to pay the agreed or certified price for the Compulsory Sale Shares offered to him the directors may (and shall, if requested by a Director) authorise any director to transfer (by signing appropriate stock transfer forms) the Compulsory Sale Shares on the Compulsory Seller's behalf to each offeree. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Compulsory Seller shall surrender his share certificate for the Compulsory Sale Shares to the Company. On surrender, he shall be entitled to the agreed or certified price, without interest, for the Compulsory Sale Shares.

- 11.11 While shares are Compulsory Sale Shares by virtue of Article 11.2 they may not be transferred under Articles 8 or 9 (other than as anticipated by this Article 11).
- 11.12 As an alternative to requiring the Compulsory Seller to offer some or all of his shares pursuant to Article 11.2, a Majority Shareholder may, with the consent of all members other than the Compulsory Seller, require the Compulsory Seller to offer his shares for purchase by the Company at the price referred to in Article 11.4. In such event the Compulsory Seller shall offer his shares in the same manner and subject to the same conditions as set out in Article 11.3 to 11.8, save that the timetable for completion of the sale and purchase of such shares shall be such timetable as the Company requires and a Majority Investor approves to enable the Company to comply with all requisite provisions of the Act in relation to such sale and purchase.

12 General meetings

- 12.1 Regulation 37 of Table A shall be modified by the deletion of the words "eight weeks" and the substitution for them of the words "28 days" and by the insertion of the words "or a Director acting alone" after the second word of that regulation.
- 12.2 A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such a person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company. The person so authorised is entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member.
- 12.3 A poll may be demanded by the chairman or by any member present in person or by proxy and entitled to vote and Regulation 46 of Table A shall be modified accordingly.
- 12.4 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution is also effective for that purpose, and where an extraordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose.
- 12.5 Regulation 53 of Table A shall be modified by the addition at the end of the following sentence: "If a resolution in writing is described as a special resolution or as an extraordinary resolution it shall have effect accordingly".



- 12.6 Regulation 56 of Table A shall be modified by the substitution of the words "one hour" in place of "48 hours".
- 12.7 Regulation 57 of Table A shall be modified by the inclusion after the word "shall" of the phrase "unless the directors otherwise determine".
- 12.8 Regulation 59 of Table A shall be modified by the addition at the end of the following sentence: "Deposit of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it".
- 12.9 Regulation 62 of Table A shall be modified by the deletion in paragraph (a) of the words "deposited at" and by the substitution for them of the words "left at or sent by post or facsimile transmission to", by the substitution in paragraph (aa) of the words "one hour" in place of "48 hours", by the substitution in paragraph (a) of the words "one hour" in place of "48 hours" and by the substitution in paragraph (b) of the words "one hour" in place of "24 hours".

13 Number of directors

Unless otherwise determined by ordinary resolution, the maximum number of directors (other than alternate directors) is 5 and the minimum number is 2.

14 Alternate directors

- 14.1 A Director shall be entitled to appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director. Those persons need not be approved by resolution of the directors and Regulation 65 of Table A is modified accordingly.
- 14.2 Regulation 66 shall be amended by the insertion between the words "shall" and "be" of the words "(subject to his giving the Company an address within the United Kingdom at which notice may be served upon him)".
- 14.3 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 14.4 If an alternate director is himself a director or attends any meeting as an alternate director for more than one director, his voting rights shall be cumulative but he shall only be counted once in deciding whether a quorum is present.
- 14.5 Regulation 68 of Table A shall be modified by the addition at the end of the following sentence "Any such notice may be left at or sent by post or facsimile transmission to the office or such other place as may be designated for the purpose by the directors".

15 Appointment, retirement and removal of directors

- 15.1 The directors are not subject to retirement by rotation and all references in any Regulation of Table A to retirement by rotation are to be disregarded.

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

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

16 Disqualification and removal of directors

16.1 The office of a director shall be vacated if:

16.1.1 he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director;

16.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;

16.1.3 he becomes, in the opinion of all co-directors, incapable by reason of mental disorder of discharging his duties as director;

16.1.4 he resigns his office by notice in writing to the Company or is deemed to have resigned his office; or

17 Proceedings of directors

17.1 The quorum for the transaction of business of the Board shall be 2 directors.

17.2 Any director or his alternate may validly participate in a meeting of the directors or a committee of directors through the medium of conference telephone or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the directors or a committee of the directors is for the purposes of the Articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of the directors although fewer than two directors or alternate directors are physically present at the same place.

17.3 Meetings of the Board shall take place no less frequently than 10 times per calendar year and at least five working days' notice shall be given to each director provided that with the consent of a majority of the directors, board meetings may be held less frequently and convened on less notice.

18 Borrowing powers of directors

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Act, to issue debentures.

19 Notices

- 19.1 Regulation 112 of Table A is modified by the deletion of the last sentence and the substitution for it of the following: "A member whose registered address is not within the United Kingdom shall be entitled to have notices given to him at the address".
- 19.2 A notice sent by post to an address within the United Kingdom is deemed to be given 24 hours after posting, if pre-paid as first class, and 48 hours after posting, if pre-paid as second class. A notice sent by post to an address outside the United Kingdom is deemed to be given four days after posting, if pre-paid as airmail. Proof that an envelope containing the notice was properly addressed, pre-paid and posted is conclusive evidence that the notice was given. A notice not sent by post but left at a member's registered address is deemed to have been given on the day it was left.
- 19.3 Regulation 116 of Table A is modified by the deletion of the words "within the United Kingdom".
- 19.4 Where these Articles require notice to be given by the holders of a stated percentage of shares, notice may consist of several documents in similar form each signed by or on behalf of one or more shareholders.

20 Indemnity

Subject to the provisions of the Act, but without prejudice to an indemnity to which he may otherwise be entitled, every director, alternate director or secretary of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in the proper execution of his duties or the proper exercise of his powers, authorities and discretions including, without limitation, a liability incurred defending proceedings (whether civil or criminal) in which judgment is given in favour or in which he is acquitted or which are otherwise disposed of without a finding or admission of material breach of duty on his part, or 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.