

The Companies Act 1985
Company Limited by Shares
SPECIAL RESOLUTION
of
REL CONSULTANCY GROUP LIMITED

Passed the 7th of February 2001

The following resolution was duly passed at an Extraordinary General Meeting of the Company on the above date as a Special Resolution of the Company:

SPECIAL RESOLUTION

THAT:-

1. each of the existing 995,550 issued ordinary shares of £1 each in the capital of the Company be subdivided and reclassified into nine cumulative convertible participating non-redeemable preference shares of 10p each ("A Shares") and ten ordinary shares of 1p each ("B Shares") having the rights set out in the Articles of Association referred to paragraph 4 below;
2. the existing unissued share capital comprising 204,450 unissued ordinary shares of £1 each be subdivided and reclassified into 5,044,500 B Shares and 15,400,500 deferred shares of 1p each ("C Shares") having the rights set out in the Articles of Association referred to in paragraph 4 below;
3. the authorised share capital of the Company be increased from £1,200,000 to £2,150,000 by the creation of 1,040,500 A Shares and 84,599,500 C Shares; and
4. the Articles of Association in the form produced to the meeting and initialled by the Chairman for identification be and are adopted as the new Articles of Association of the Company in substitution for the existing Articles of Association of the Company.


RICHARD MUNRO, Director
for and on behalf of REL Consultancy Group Limited

DATE: 7th February 2001

Company Reg. Office: Park Gate, 21 Tothill Street, London SW1H 9LL

Company No. 1228379

**THE COMPANIES ACTS 1985 TO 1989
COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION
OF
REL CONSULTANCY GROUP LIMITED**

Adopted at EGM held on 7 February 2001



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C A BIELENBERG
Chairman

**THE COMPANIES ACTS 1985 TO 1989
COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION
OF
REL CONSULTANCY GROUP LIMITED**

(Adopted by Special Resolution on)

1. INTERPRETATION

- 1.1 In the interpretation of these Articles unless the context otherwise requires the following words and expressions shall bear the following meanings:

<u>Expression</u>	<u>Meaning</u>
"A Shares"	cumulative convertible participating non-redeemable preference shares in the Company having the rights set out herein;
"A Shareholders"	the holders for the time being of the A Shares;
"Associate"	an individual whose services as a consultant are provided to the Company or a subsidiary of the Company and who is not an Employee;
"Acts"	the Companies Act 1985 as from time to time amended;
"Auditors"	the auditors for the time being of the Company;
"A Share Dividend"	6.75p;
"Board"	the board of directors of the Company from time to time or as the case may be any duly authorised committee thereof;

"B Shares"	ordinary shares in the Company having the rights set out herein;
"B Shareholders"	the holders for the time being of the B Shares;
"C Shares"	deferred shares in the Company having the rights set out herein;
"C Shareholders"	the holders for the time being of the C Shares;
"Company"	REL Consultancy Group Limited registered in England with number 1228379
"Eligible Director"	an individual who is a director (within the meaning of the Acts) of the Company or any subsidiary of the Company;
"Eligible Person"	an individual who is an Eligible Director, Employee or Associate;
"Employee"	an individual who works for the Company or a subsidiary of the Company as an employee under a contract of service;
"Fair Market Value"	in respect of any Share or Shares is the higher of the (1) the market value of such Share or Shares within the meaning of Part VIII of the Taxation of Chargeable Gains Act 1992 and (2) the amount referred to in section 140C(1) (b) of Income and Corporation Taxes Act 1988 determined in each case in such reasonable manner as the Board shall decide from time to time;
"Financial Year"	an accounting period of 12 months in respect of which the Company prepares its accounts in accordance with the relevant provisions of the Acts;
"Shares"	either or both or all A Shares and B Shares and C Shares;

"Table A" Table A in the Schedule to the Companies (Table A -F) Regulations 1985;

"Trustees" the trustees for the time being of the REL Consultancy Group Limited Employee Benefit Trust as amended from time to time or any successor trust.

1.2 In these Articles:

- (a) words or expressions the definitions of which are contained or referred to in the Act shall be construed as having the meaning thereby attributed to them and any reference to any enactment includes a reference to that enactment as from time to time extended, modified or re-enacted;
- (b) words importing the singular number shall include the plural and vice versa, words importing the masculine shall include the feminine and neuter and vice versa, and words importing persons shall include bodies corporate, unincorporated associations and partnerships; and
- (c) references to Articles are references to these Articles and references to paragraphs and sub-paragraphs are, unless otherwise stated, references to paragraphs of the Articles or references to sub-paragraphs of the paragraph in which the reference appears.

1.3 A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of the Regulations or these Articles.

1.4 The regulations contained in Table A apply to the Company except in so far as they are excluded by or are inconsistent with these Articles.

1.5 Regulations 40, 41 ,65 to 69, 73 to 78, 80, 94 and 118 of Table A do not apply to the Company.

2 SHARE CAPITAL

- 2.1 The Board are unconditionally authorised to allot, create, deal with or otherwise dispose of Shares to such persons (including any director) on such terms and at such times as they think fit, but no shares shall be issued at a discount. This authority shall (unless renewed) expire five years from the date of adoption of these Articles but shall extend to any allotment of shares pursuant to any agreement made prior to the date of expiry of this authority.
- 2.2 The maximum nominal amount of share capital which the directors may allot or otherwise dispose of in accordance with this Article 2 is the nominal amount of unissued shares at the date of adoption of these Articles or such other amount as is authorised by the Company in general meeting.
- 2.3 The Directors may allot equity securities pursuant to the authority granted by Article 2.1 above as if section 89(1) of the Companies Act did not apply to the allotment.

3 SHARE CAPITAL RIGHTS

- 3.1 The authorised share capital of the Company at the date of the adoption of these Articles is £2,150,000 divided into:-
- (a) 10,000,000 A Shares of 10p each; and
 - (b) 15,000,000 B Shares of 1p each; and
 - (c) 100,000,000 C Shares of 1p each
- 3.2 The special rights and restrictions attached to and imposed on each class of share capital of the Company are as set out in these Articles and save as provided in these Articles the A Shares, the B Shares and the C Shares shall rank parri passu in all respects.

3.2.1 Dividend Rights

- (A) The A Shares shall confer upon the holders thereof as a class the right to receive in priority to any payment by way of dividend to the holders of any other shares in the capital of the Company out of the profits of the Company available for distribution in respect of each Financial Year (or pro rata for part of a Financial Year) a cumulative preference dividend on each such A Share equal to the A Share Dividend. Any amount of the A Share Dividend not paid in any year shall be carried forward to be paid in successive Financial Years in which there are profits available for distribution to satisfy any such unpaid cumulative dividend entitlement.
- (B) The A Share Dividend shall (unless waived) accrue from day to day and shall be paid in cash in two equal installments on October 15 and April 15 in each Financial Year (the "due date for payment") and shall be paid to members on the register of members on such date falling 90 days prior to the due date for payment. The first installment shall be payable on October 15 2001 at the rate of 3.375p per A Share.
- (C) In addition, at the end of each Financial Year if the distributable reserves of the Company then exceed £100 million the A Shares shall confer upon the holders thereof as a class the right to receive in priority to any payment by way of dividend to the holders of any other shares in the capital of the Company and the Company shall pay out in respect of that Financial Year a variable ordinary dividend equal to 0.1% of the distributable profits of the Company for that Financial Year.
- (D) The A Shares shall not confer any further right of participation in the profits of the Company and the remaining profits of the Company (if any) available for distribution (after the payment of all arrears and accruals of the A Share Dividend in respect of a Financial Year and any earlier Financial Years) shall, if resolved by the Company in general meeting, be distributable among the holders of the B Shares according to the amounts paid up or credited as paid up thereon.
- (E) The C Shares shall not be entitled to the payment of any dividends.

3.2.2 Capital Rights

- (A) In the event of a winding-up of the Company or other return of capital (which expression shall include a redemption or repurchase of all or any A Shares) the surplus assets of the Company (after payment of all other debts and liabilities of the Company and of the costs and charges and expenses of such winding up) shall be applied in the following manner and order of priority:
- (i) first, in paying to the A Shareholders (in proportion to the numbers of A Shares held by them) all unpaid arrears and accruals of any A Share Dividend such arrears and accruals to be calculated down to and including the date of the payment and to be payable irrespective of what profits (and of whether any profits) have been made or earned by the Company and irrespective of whether or not such unpaid arrears and accruals have become due and payable in accordance with any of the provisions of Article 3.2.1 (A) and 3.2.1 (B);
 - (ii) second, in paying to the A Shareholders the sum of £1.33 per A Share held by each A Shareholder;
 - (ii) next , in distributing the balance not exceeding £100,000 per B Share amongst the holders of the B Shares pro rata according to the amounts paid up or credited as paid up thereon;
 - (iii) lastly , in distributing any remaining balance amongst the holders of the C Shares pro rata according to the amounts paid up or credited as paid up thereon;

3.2.3 Voting Rights

- (A) Each A Share and each B Share shall entitle the holder to receive notice of and to attend and vote at any general meeting of the Company and on a poll every such holder who (being an individual) is present in person or by a proxy or (being a corporation) is present by a representative or proxy shall be entitled to [one] vote for every A Share held and to one vote for every B Share held.
- (B) Holders of C Shares shall not be entitled to attend or vote in connection with any

general meeting of the Company save as regards a resolution affecting their rights.

3.2.4 Conversion Rights

- (A) Subject to the following provisions, each holder of A Shares may at any time not earlier than October 1 2002 and not later than October 1 2010 by giving to the Company not less than three months' notice in writing (a "Conversion Notice") to expire on December 31st in any year from 2002 up to and including 31st December 2010 (a "Conversion Date") convert all (but not some only) of his A Shares into such number of B Shares at the rate of 1 new B Share for every 5 existing A Shares held as at the date of expiry of a Conversion Notice.
- (B) As soon as practical after the Conversion Date the Company will issue to the holder a certificate for the B Shares resulting from the exercise of a Conversion Notice.
- (C) If immediately following any Conversion Date at least 75 per cent. of the issued A Shares shall have been converted pursuant to the foregoing provisions, the Company shall be entitled within one month after any such date to give to the holders of the A Shares which have not been so converted not more than 6 weeks nor less than 4 weeks notice in writing to convert such A Shares ("a Compulsory Conversion notice"). Upon the expiration of such Compulsory Conversion notice, the holders of such A Shares shall be treated as having exercised their right to convert in respect of all their A Shares and such A Shares shall be converted in accordance with the foregoing provisions (and so that references to "Conversion Date" shall mean the date of expiration of such Compulsory Conversion notice).
- (D) Any remaining balance of nominal share capital resulting from a conversion of A Shares into B Shares shall be converted into C Shares.
- (E) In the event of any subdivision or consolidation or reduction of the B Shares the conversion rate referred to in paragraph (A) above will be increased or reduced accordingly and if any doubt arises as to the amount of such increase or reduction the certificate of the Company's Auditors (acting as experts and not as arbitrators) will be conclusive and binding.

4 ISSUE OF NEW SHARES

Unless otherwise determined by a special resolution of the Company in general meeting no shares shall be allotted on terms that the right to take up the shares allotted may be renounced in favour of or assigned to, another and no person entitled to the allotment of a share may direct that such share be allotted or issued to any other person.

5 TRANSFER OF SHARES

5.1 The following provisions shall apply as regards any proposed transfer of A or B or C Shares:-

5.1.1 If a member wishes otherwise than by way of arms length bargain (which shall be deemed to include any transfer by the Trustees) to assign, charge or otherwise dispose of any Shares or any interest therein by way of gift or other non arms length bargain he shall seek consent from the Board for such transfer which consent the Board may in its absolute discretion refuse or may grant on such terms or conditions as the Board may decide; if such consent is granted the Board shall register any transfer of Shares in accordance with such consent.

5.1.2 Whenever any person (a "Vendor") owning any Shares or any interest therein wishes to assign, charge or otherwise dispose of any Shares ("Sale Shares") or any interest therein and such a sale has not been consented to by the Board pursuant to Article 5.1.1 he (or his personal representatives) shall give notice in writing (a "Transfer Notice") to the Company of his wish.

5.1.3 Service of a Transfer Notice shall constitute the Company the Vendor's agent for the sale of the Sale Shares to such person or persons including the Trustees and/or the Company as the Board in its absolute discretion may decide;

5.1.3.1 If an individual holding any Shares ceases to be an Eligible Person for whatever reason a Transfer Notice shall thereupon be deemed to have been given by such member or his personal representatives (as the case may be) to the Company of his wish to sell his entire holding in all Shares registered in the name of that individual and the provisions of Article 5.1.4 to 5.1.9 shall thereafter apply mutatis mutandis as if the member or his

personal representatives (as the case may be) wished to sell all the Shares so held.

5.1.3.2 If any Shares are acquired, in pursuance of rights or interests obtained by Eligible Persons, by any person who is not or who has ceased to be an Eligible Person, those Shares shall be dealt with as if the holder or his personal representative (as the case may be) wished to sell the Shares as soon as they are so acquired and the provisions of Article 5.1.4 shall apply *mutatis mutandis*;

5.1.4 Following the service or deemed service of a Transfer Notice the Company shall have 12 months (or such lesser period as the Board may resolve and notify to the Vendor) in which to procure the sale and transfer of all (but not some only) of the Sale Shares to such person or persons including the Trustees and/or the Company as the Board in its absolute discretion may decide.

5.1.5 Any sale and transfer of the Sale Shares pursuant to this Article shall be made at the Fair Market Value of the Sale Shares as at the date of receipt or deemed receipt by the Company of the Transfer Notice in question.

5.1.6 If the Company does not arrange the sale of all (but not some only) of the Sale Shares covered by the Transfer Notice within 12 months (or such lesser period as the Board may have resolved in accordance with Article 5.1.4) following the receipt or deemed receipt by the Company of that Transfer Notice the Vendor shall be entitled to transfer all or any of the Sale Shares within the period of 3 months next following the said 12 month (or such lesser) period for a price being not less than the Fair Market Value as at the date of that Transfer Notice.

5.1.7 In order to complete a transfer of Sale Shares pursuant to this Article, the Board may upon giving the Vendor 14 days' notice require the Vendor to execute a stock transfer form or forms and deliver the same together with a certificate or certificates in respect of the Sale Shares to the Company. In the event of the Vendor failing to complete the sale of the Sale Shares at the due time the Board may authorise any Director to execute a transfer or transfers of the Sale Shares to the proposed transferee(s) and the Company may give a good receipt for the proceeds of sale of such Sale Shares and may register the transferee(s) as holders thereof and issue to them certificates for the same whereupon the transferee(s) shall become indefeasibly entitled thereto. The Vendor shall in such

case be bound to deliver up his certificate for such Sale Shares to the Company whereupon the Vendor shall be entitled to receive the purchase price which shall in the meantime be held by the Company upon trust for the Vendor but without interest. Provided that if the Company deposits the sales proceeds with a bank the Company shall not thereafter be liable for any loss.

5.1.8 Notwithstanding the provisions of Article 5.1.6 the Board may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any Share whether or not it is a fully paid share.

5.1.9 In the event of any dispute or disagreement as to the interpretation of Articles 5.1.1 to 5.1.7 or as to any question or right arising from or related to Articles 5.1.8 the decision of the Board shall be final and binding upon all persons.

6 PROCEEDINGS AT GENERAL MEETINGS

6.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Two members present in person or by proxy shall be a quorum.

6.2 If within half an hour of the time appointed for a general meeting a quorum is not present, the meeting, if convened upon requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place (or to such other day and at such other time and place as all the members agree in writing). If at any adjourned meeting such a quorum is not present within 30 minutes of the time appointed for the meeting, any 2 members present in person or by proxy shall be a quorum.

6.3 At any general meeting a poll may be demanded by any member present in person, by proxy or by duly authorised representative and entitled to vote.

6.4 An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

6.5 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting.

6.6 Any shareholders resolution shall be in writing signed by all the members of the Company. In the case of a corporation which is a member, it shall be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

7 DIRECTORS

7.1 The directors are not subject to retirement by rotation.

7.2 A member or members holding Shares carrying more than 50% of all the votes in the Company capable of being cast on a poll may at any time appoint any person to be a director, either as an additional director or to fill a vacancy, and may remove from office any director however appointed. The appointment or removal shall be effected by notice in writing to the Company signed by the member or members giving it or, in the case of a corporate member, signed by a director or by a person authorised by resolution of the directors or other governing body. The appointment or removal shall take effect when the notice is delivered to the registered office or to the secretary of the Company, or is produced at a meeting of the directors. The removal of a director shall be without prejudice to any claim which he may have under any contract with the Company. The right of the member or members set out in this Article shall extend to the appointment or removal of any number of directors.

7.3 There is no age limit for directors of the Company.

7.4 It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom unless he has given to the Company an address outside the United Kingdom to which notices should be sent.

7.5 A director may participate in a meeting of the directors or a committee of directors of which he is a member by means of a conference telephone or video conferencing facility or similar communicating equipment whereby all persons

participating in the meeting can hear each other. Participation in a meeting in this manner shall be deemed to constitute presence in person at the meeting.

8 ALTERNATE DIRECTORS

- 8.1 Any director (other than an alternate director) may at any time appoint any other director to be his alternate director and may at any time terminate such appointment.
- 8.2 Any such appointment or termination of appointment shall be effected by notice to the Company signed by the director making or revoking the appointment or by any other manner approved by the directors. The same director may be appointed as the alternate director of more than one director.
- 8.3 The appointment of an alternate director shall terminate on the happening of any event which if he were a director would cause him to vacate such office or if his appointer ceases to be a director.
- 8.4 An alternate director shall be entitled to receive notices of meetings of the directors and of any committee of the directors of which his appointor is a member and shall be entitled to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the proceedings at such meeting the provisions of these Articles shall apply as if he were a director of the relevant class. It shall not be necessary to give notice of meetings to an alternate director who is absent from the United Kingdom.
- 8.5 An alternate director, being himself a director and/or attending any meeting as an alternate for more than one director, shall have cumulative voting rights and he shall count as such number of the directors as he so represents for the purposes of determining whether a quorum is present. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability the signature of the alternate director to any resolution in writing of the directors shall be as effective as the signature of his appointor. An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.

- 8.6 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may be notice in writing to the Company from time to time direct.

9 PROCEEDINGS OF DIRECTORS

- 9.1 Save where all the members otherwise agree in writing, the quorum for the transaction of business at meetings of the directors shall be two.
- 9.2 In the event that any duly convened meeting of the directors is not quorate, or if during the meeting such a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day, and at such other time and place as the directors may agree in writing) and at such adjourned meeting the quorum shall be any two directors.
- 9.3 The Company may by ordinary resolution appoint any one of the directors to be chairman of the board of directors and may by ordinary resolution remove him from that office.
- 9.4 Unless otherwise agreed in writing by all the directors in any particular case, at least 3 clear days' notice in writing shall be given to each director of every meeting of the directors. A notice calling a meeting of the directors needs to be in writing
- 9.4.1 Each such notice shall:
- (a) be sent to the address notified from time to time by each director to the secretary as his address for the service for such notices (or if no address has been so supplied, to his last known address);
 - (b) contain an agenda accurately specifying in reasonable detail the matters to be discussed at the relevant meeting;

- (d) be accompanied by any relevant papers for discussion at such meeting; and
- (e) if sent to an address outside the United Kingdom, be sent by courier, telex, facsimile transmission or electronic mail. A notice communicated by immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed
- (f) save as provided in paragraph (e) any such notice may be delivered personally or by first class prepaid letter and shall be deemed to have been served if by personal delivery when delivered and if by first class letter 48 hours after posting.
- (g) except as may be agreed by all the members in any particular case, no business or resolution shall be transacted or passed at any meeting of the directors except as was fairly and accurately disclosed in the agenda for such meeting.
- (h) appropriate and complete minutes of each meeting of the directors shall be maintained by the Company and copies thereof distributed to the directors as soon as reasonably practicable after the meeting shall have been held.

9.5 A director who is in any way, whether directly or indirectly, interested in a transaction or arrangement or proposed transaction or arrangement with the Company may (provided he has first disclosed his interest in writing to the Company) vote in respect of any such transaction or arrangement or proposed transaction or arrangement or any matter arising therefrom. If he does so vote his vote shall be counted and he shall be capable of constituting a quorum at any meeting of the directors at which any such transaction or arrangement or proposed transaction or arrangement shall come before the board of directors for consideration and may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof.

9.6 Where the approval, agreement or consent of any member or director is required under any provision of these Articles to any particular matter, such approval, agreement or consent may be given subject to such terms and conditions as that member or director may require and any breach of such terms and conditions shall ipso facto be deemed to be a breach of these Articles.

10 SECRETARY

- 10.1 Subject to the provisions of the Act, the Board may appoint a person who is willing to act to be the Secretary for such term, at such remuneration and upon such conditions as shall be thought fit and the Board may remove any Secretary so appointed.

11 INDEMNITY

- 11.1 Subject to the provisions of and so far as may be permitted by law but without prejudice to any indemnity to which a director may otherwise be entitled), every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

12 INSURANCE

- 12.1 The Board shall have power to purchase and maintain for any director, officer or Auditor of the Company insurance against any liability.

13 DRAG ALONG PROVISIONS

- 13.1 If the Board so recommends and if holders of Shares who together hold not less than 75% of the votes capable of being cast at a general meeting of the Company so agree the Board can require that all holders of Shares accept any offer made to purchase all the Shares of the Company if the terms of that offer amount to a price per share of not less than Fair Market Value and the provisions of Article 5.1.7 shall apply if any shareholder fails to accept an offer or complete a sale of the Shares as required by the Board.