

No. of Company 1955534

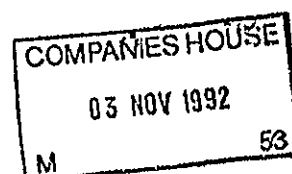
The Companies Act 1985
PRIVATE COMPANY LIMITED BY SHARES

Memorandum and Articles
of Association

HOUSETREE LIMITED

(Incorporated the 7th day of November 1985)

132668C



THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION OF

HOUSETREE LIMITED
(As altered by Special Resolution passed
on the 7th day of November 1985)

1. The Company's name is "HOUSETREE LIMITED".*
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are:-
 - (a) To carry on all or any of the businesses of jewellers, goldsmiths, silversmiths and watchmakers, manufacturers, designers, importers, exporters, repairers, merchants and dealers in jewellery of all kinds, silver and gold plate, rings, coins, bullion, precious stones, and watches, clocks, chronometers and timepieces of every description; gem cutters and setters, antique dealers, artmetal workers, manufacturers, repairers and merchants of, agents for, and dealers in silver, gold, bronze, electroplated metal and aluminium goods of all kinds, and in china, porcelain, pottery and glass ware, cutlery, ornaments, paintings, works of art and articles of vertu, electrical and mechanical equipment, machinery, instruments and appliances of every description, appraisers, valuers for probate and other purposes, manufacturers' agents, manufacturers, exporters, importers, distributors and merchants of, agents for, and dealers in antique and other furniture, furnishings, fittings, appliances, utensils, commodities, articles, supplies, goods, wares, produce and merchandise of every description; dealers in leather and fancy goods and articles for household or personal use or adornment, picture framers, gilders and polishers, insurance agents, art journalists, librarians, commission and general agents and general warehousemen, merchants factors and traders; and to manufacture, import, export, install, maintain, repair, buy, sell and deal in goods and wares of all kinds whatsoever, which may conveniently be dealt in by the Company in connection with, or as auxiliary to the above-mentioned

* The name was changed by Special Resolution, dated 21 November 1985 and the Company was incorporated as "Theo Fennell Limited" on 18th December 1985.

businesses, or any of them, or which may be likely to be required by any of the customers of or persons having dealings with the Company.

- (b) To carry on any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on in connection with or ancillary to any of the businesses of the Company.
- (c) To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.
- (d) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.
- (e) To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.
- (f) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (g) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.
- (h) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including

without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).

- (i) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- (j) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (k) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (l) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charter, decrees, rights, privileges, and concessions.
- (m) To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted of carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or

authority, municipal, local or otherwise, in any part of the world.

- (n) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.
- (o) to promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- (p) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- (q) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
- (r) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (s) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.
- (t) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been Directors of, or who are or have been

employed by, or who are serving or have served the Company, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.

- (u) Subject to and in accordance with a due compliance with the provisions of Sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable), to give, whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act.
- (v) To distribute among the Members of the Company in kind any property of the Company of whatever nature.
- (w) To procure the Company to be registered or recognised in any part of the world.
- (x) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.
- (y) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND so that:

- (1) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other

sub-clause of this Clause, or by reference to or inference from the name of the Company.

- (2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each such sub-clause contained the objects of a separate Company.
- (3) The word "Company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.
- (4) In this Clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The liability of the Members is limited.

5. The Company's share capital is £100 divided into 100 * shares of £1 each.

* A detailed history of the share capital of the Company is given below:-

By a special resolution passed on the 21st November 1985, the original share capital of the Company was increased to £1,000 by the creation of 900 Ordinary Shares of £1 each, such shares to form one class with the Ordinary Shares now in existence;

By a written resolution effective from the 18th April 1986, the share capital of the Company was increased to £1,100 by the creation of 100 Ordinary Shares of £1 each, such shares to form one class with the Ordinary Shares of £1 each now in existence.

By a special resolution passed on the 4th September 1992, the authorised share capital of the Company was increased to £16,785 by the creation of 7400 new Ordinary Shares of £1 each (which when issued will rank pari passu in all respects both inter se and with the existing Ordinary Shares of £1 each in the Company), 5285 Convertible Deferred Shares of £1 each and 3200 Convertible Preference Shares of £1 each.

WE, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names.

Names, addresses and descriptions of Subscribers	Number of shares taken by each Subscriber
1. Michael Richard Counsell, 15, Pembroke Road, Bristol. BS99 7DX	- One
2. Christopher Charles Hadler, 15, Pembroke Road, Bristol. BS99 7DX	- One
Total shares taken	- Two

Dated this 1st day of September, 1985.

Witness to the above Signatures: Errol Sandiford
15, Pembroke Road,
Bristol. BS99 7DX
Clerk.

132668c

Company No. 1955534

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

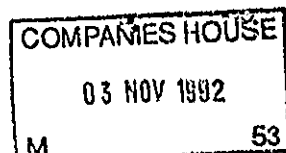
THEO FENNELL LIMITED

(as at 4 September 1992)

TABLE A

1. Subject as otherwise provided in these Articles, the regulations in Table A prescribed under section 8 of the Companies Act 1985, as in force at the date of incorporation of the Company (in these Articles referred to as "Table A"), shall apply to the Company.

2. The following provisions of Table A shall not apply to the Company: in regulation 62(a): the words "not less than 48 hours"; in regulation 62(b): the words "not less than 24 hours"; regulations 73 to 80 inclusive and all references elsewhere in Table A to retirement by rotation shall not apply accordingly; and regulations 94 to 98 inclusive.



INTERPRETATION

3. In these Articles, where the context so admits:

"Convertible Deferred Shares"	means convertible deferred shares of £1 each in the capital of the Company;
"Convertible Preference Shares"	means convertible preference shares of £1 each in the capital of the Company;
"holding company" and "subsidiary"	shall be construed in accordance with section 736 of the Companies Act 1985;
"Ordinary Shares"	means ordinary shares of £1 each in the capital of the Company;
"paid up"	means paid up or credited as paid up.

SHARE CAPITAL

4. The share capital of the Company is £16,985 divided into 8,500 Ordinary Shares, 5,285 Convertible Deferred Shares and 3,200 Convertible Preference Shares. Such shares shall entitle the holders thereof to the respective rights and privileges and subject them to the respective restrictions and provisions contained in these Articles.

SHARES

5. The rights, privileges, restrictions and limitations attaching to the zero coupon convertible preference shares of £1 each in the Company ("Convertible Preference Shares"), the ordinary shares of £1 each in the Company ("Ordinary Shares") and the convertible deferred shares of £1 each in the Company ("Convertible Deferred Shares") are as follows:-

5.1 As regards income:

5.1.1 Convertible Preference Shares: The Convertible Preference Shares shall not entitle the holders thereof to any right of participation in the profits of the Company.

5.1.2 Ordinary Shares: The profits available for distribution, so far as resolved to be distributed and subject to any special rights which may be attached to any other class of share, shall be distributed by way of dividend among the holders of the Ordinary Shares.

5.1.3 Convertible Deferred Shares: The Convertible Deferred Shares shall not entitle the holders thereof to any right of participation in the profits of the Company.

5.2 As regards capital:

On a return of capital on a winding up the assets of the Company available for distribution among the members shall be applied:

5.2.1 Convertible Preference Shares: Firstly, in repaying to the holders of the Convertible Preference Shares, rateably according to the amounts paid up on such shares held by them respectively, an amount up to the amount paid up on such shares;

5.2.2 Ordinary Shares: Second, subject to any special rights which may attach to any other class of share, in repaying to the holders of the Ordinary Shares, rateably according to the amounts paid up on such shares held by them respectively, an amount up to the amount paid up on such shares;

5.2.3 Convertible Deferred Shares: Third, subject to any special rights which may attach to any other class of share, in repaying to the holders of the Convertible Deferred Shares, rateably according to the amounts paid up on such shares held by them respectively, an amount up to the amount paid up on such shares;

- 5.2.4 Ordinary Shares: Fourth, subject to any special rights which may be attached to any other class of share, by distribution among the holders of the Ordinary Shares, rateably according to the amounts paid up on such shares held by them respectively.

5.3 As regards voting:

- 5.3.1 Convertible Preference Shares: The Convertible Preference Shares shall not entitle the holder to receive notice of or attend at any general meeting unless the business of the meeting includes the consideration of a resolution for winding up the Company or a resolution varying or abrogating any of the special rights attached to such shares and shall entitle the holder to vote only on any such resolution and then on a show of hands every holder of Convertible Preference Shares who is present shall have one vote and on a poll every such holder present in person or by proxy shall have one vote for every Convertible Preference Share of which he is the holder.
- 5.3.2 Ordinary Shares: On a show of hands every member present in person or by proxy shall have one vote and on a poll every member present in person or by proxy shall have one vote for every Ordinary Share of which he is the holder.
- 5.3.3 Convertible Deferred Shares: The Convertible Deferred Shares shall not entitle the holder to receive notice of or attend at any general meeting unless the business of the meeting includes the consideration of a resolution for winding up the Company or a resolution varying or abrogating any of the special rights attached to such shares, and shall entitle the holder to vote only on any such resolution and then on a show of hands every holder of Convertible Deferred Shares who is present shall have one vote and on a poll every such holder present in

person or by proxy shall have one vote for every such share of which he is the holder.

5.4 As regards conversion:

5.4.1 Convertible Preference Shares: On a day that is on or before the day that is 28 days following service on the Company, at any time following the first anniversary of the adoption of these Articles, of a Notice (as defined below) the Convertible Preference Shares specified in such Notice shall be converted into an equal number of Ordinary Shares ranking pari passu both inter se and as one class with the other Ordinary Shares then in issue, save that they shall not rank for any dividend declared paid or made prior to the time of such conversion. In this paragraph, "Notice" means a notice duly signed on behalf of a registered holder of Convertible Preference Shares and which requests conversion of all the Convertible Preference Shares held by such holder.

5.4.2 Convertible Deferred Shares: Convertible Deferred Shares then in issue and held by a member shall convert Ordinary Shares ranking pari passu both inter se and as one class with the other Ordinary Shares then in issue, save that they shall not rank for any dividends declared paid or made prior to the time of such conversion, on the following bases:-

- (a) immediately before completion of a transfer of a majority of the then issued Ordinary Shares unless the holder of such Convertible Deferred Shares gives his prior written consent to such a transfer, and provided that upon such conversion such holder shall be deemed for all purposes to have appointed irrevocably as his agent any one director or the secretary of the Company to (and who shall if

required by the relevant transferee(s)) execute a transfer of the resulting Ordinary Shares (or, if more than one such transferee, in favour of all or any of them in such proportions as the Agent shall consider appropriate) and the Company shall hold the purchase money in trust for the proposing transferor. The receipt of the Company for the purchase money shall be a good discharge for all purposes to the relevant purchaser and, after his name has been entered in the register of members of the Company, the validity of the proceedings shall not be questioned by any person;

- (b) on the day that is 28 days following service on the Company by its auditors for the time being of a certificate stating (i) that its profit and loss account accumulated reserves (after tax and adding back any dividends declared paid or made following 1 September 1992 to the extent such dividends would otherwise have reduced such figure) have a positive balance equal to or in excess of £500,000 as derived from the latest audited balance sheet of the Company, 40 per cent (or 100% if conversion had previously taken place under paragraph (ii)), of such holder's Convertible Deferred Shares shall so convert; (ii) that its profit (before tax and after adding back any dividends declared paid or made following 1 September 1992 to the extent such dividends would otherwise have reduced such figure) is equal to or in excess of £500,000 as derived from the latest audited profit and loss account of the Company, 60 per cent (or 100% if conversion has previously taken place under paragraph (i)) of such holder's Convertible Deferred Shares shall so convert Provided that if any such certificate is served before 31 January 1994 such relevant

conversion shall take place on 1 February 1994 but otherwise as provided above;

The Company shall instruct its auditors for the time being at the time of the commencement of the audit of each set of its accounts to, no later than 7 days following the date of adoption of the relevant audited accounts by the Company, serve on the Company certificates specifying the balance on such reserves as derived from such balance sheet, and such profit as derived from such profit and loss account respectively.

5.4.3 General: The following provisions shall apply to the conversion of shares:

- (a) Upon such conversion, the Company shall give notice thereof to the holders of the relevant former convertible shares. Following such notice, such holders shall be entitled to forward to the Company at their own risk their certificates for such convertible shares. Within 28 days of such receipt, the Company shall cancel such certificates and shall issue and send to such holders at their own risk by ordinary post new certificates for the ordinary shares created upon such conversion.
- (b) conversion may be effected in such manner as the Directors shall, subject to the provisions of these Articles, from time to time determine or in such other manner as may be authorised by law and without prejudice to the generality of the foregoing may be effected:
 - (i) by the redemption of shares at par and the application of the redemption moneys on behalf of the holder of the shares so redeemed in the

subscription of an equal number of fully paid Ordinary Shares at par. In the case of a conversion effected by means of the redemption of shares the Directors may effect redemption of the relative shares out of profits of the Company which would otherwise be available for distribution, out of the proceeds of a fresh issue of shares or in any other manner for the time being permitted by law.

In the case of redemption out of profits the Directors shall apply the redemption moneys in the name of the holder of the shares to be converted in subscribing for the appropriate number of fully paid Ordinary Shares. In the case of redemption out of the proceeds of a fresh issue of shares the Directors may arrange for the issue of the appropriate number of Ordinary Shares to some person selected by the Directors on the terms that such person will (a) subscribe for such Ordinary Shares (b) renounce the allotment of such Ordinary Shares in favour of the holder of the relative shares being converted against payment to such person out of the redemption moneys in respect of such shares of an amount equal to the subscription price of such Ordinary Shares; or

- (ii) by the Directors determining to effect conversion by means of consolidation and subdivision. In such case, the requisite consolidation and subdivision shall be effected pursuant to the authority given by the passing of the resolution to create the relevant convertible shares by consolidating into one share all the shares to be converted held by

any holder or joint holders and subdividing such consolidated share into shares of £1 each of which 1 share for each £1 nominal amount of the consolidated share shall be an Ordinary Share.

- (c) The Company will keep available and authorised for issue sufficient unissued Ordinary Share capital to satisfy in full all rights for the time being outstanding of conversion into its Ordinary Share capital attaching to the Convertible Preference Shares and the Convertible Deferred Shares.
- (d) If, prior to conversion of all the Convertible Preference Shares and the Convertible Deferred Shares, the Company makes any offer or indication to subscribe for any securities by way of rights to holders of the Ordinary Share capital, then on the occasion of each such offer the Company shall make a like offer or invitation at the same time to each holder of the Convertible Preference Shares and/or the Convertible Deferred Shares as if such shares had been converted in full on the record date for such offer or invitation at the relevant conversion rate.

5.5 As regards transfer:

5.5.1 Convertible Preference Shares:

- (a) A member or other person entitled to transfer may transfer all, but not some, of the Convertible Preference Shares registered in his name or which he is entitled to transfer:

- (i) in the case of Convertible Preference Shares beneficially owned by a member, to the spouse, child or remoter issue of such member or to the trustees of any trust with no defined beneficiaries other than, or of any trust the sole beneficiaries of which are one or more of, such spouse, child or remoter issue;
- (ii) in the case of a personal representative of a deceased member, to the widow, widower, child or remoter issue of such deceased member or to another personal representative of the same estate;
- (iii) in the case of a trustee of a trust to the beneficiaries or to another trustee of that trust;
- (iv) in the case of a member which is a company, to any other company (in this Article called an "Associated Company") which is a holding company of that member or which is another subsidiary of such a holding company;
- (v) in the case of a member who holds such Convertible Preference Shares as nominee or trustee for any person ("the Beneficial Owner"), to the Beneficial Owner or to any other person ("a Nominee") who shall hold such Convertible Preference Shares as nominee or trustee for the Beneficial Owner;

provided that no transfer of shares in any such case shall be registered unless the transferee shall have produced to the board of directors such evidence as it may reasonably require to establish that the

transfer falls within the provisions of this paragraph (a) and, except as provided above and subject to Article 5.5.2 below, no Convertible Preference Share shall be transferred except in accordance with the remaining provisions of this Article.

(b) If:

- (i) an Associated Company to which Convertible Preference Shares have been transferred pursuant to paragraph (a)(iv) ceases to be so associated with the company (within the meaning of that paragraph) which transferred such shares to it and does not prior to its ceasing to be so associated, transfer the shares registered in its name to such company;
- (ii) a Nominee to whom Convertible Preference Shares have been transferred pursuant to paragraph (a)(v) ceases to hold such shares as nominee or trustee for the Beneficial Owner; or
- (iii) a trust, the trustee(s) of which to whom Convertible Preference Shares have been transferred pursuant to paragraph (a)(i), comes to have beneficiaries other than such spouse, child or remoter issue specified in such paragraph;

then such Associated Company or Nominee or trustees shall be deemed to have given a transfer notice under paragraph (c) in respect of all the Convertible Preference Shares registered in its or their name on the occurrence of such event or, if later, the date on which the Company first becomes

aware of such occurrence, and to have included in its transfer notice as the offer price (as defined in paragraph (c)) such a sum as the Auditors shall determine in accordance with paragraph (h).

- (c) Except where the transfer is made pursuant to paragraphs (a) or (1), the person proposing to transfer the Convertible Preference Shares (in this Article called the "proposing transferor") shall give notice in writing (in this Article called a "transfer notice") to the Company that he wishes to transfer his Convertible Preference Shares. Such notice shall specify the price per Convertible Preference Share at which he is prepared to sell his Convertible Preference Shares (in this Article called the "offer price") and the name of the proposed transferee or transferees and shall constitute the Company his agent for the sale of the Convertible Preference Shares to holder(s) of Convertible Preference Shares and holder(s) of Ordinary Shares willing to purchase them (in this Article called the "purchasing members") at the offer price or, where appropriate, at the fair value to be fixed by the Auditors of the Company in accordance with paragraph (h). A transfer notice shall relate to all, but not some, of the Convertible Preference Shares registered in the name of the proposing transferor.
- (d) A transfer notice once given shall not be revocable.
- (e) On receipt or deemed receipt by the Company of a transfer notice it will, within fourteen days offer the Convertible Preference Shares comprised in the transfer notice to the remaining holder(s) of Convertible Preference Shares and holder(s) of

Ordinary Shares in proportion (as nearly as may be) to the aggregate number of Convertible Preference Shares and Ordinary Shares held by each of them respectively. Every such offer shall be made in writing specifying the number and class of shares offered (in this Article called the "proportionate entitlement") and shall be accompanied by forms of application for use by the member in applying for his proportionate entitlement and for any shares in excess of such entitlement which he is prepared to purchase (in this Article called "excess shares"). Every such offer shall be open for acceptance in whole or in part within forty days from the date of its despatch. Every form of application completed by a member pursuant to any such offer shall state whether, in respect of all (but not some) of the Convertible Preference Shares applied for the member is prepared to accept the offer price or, in either or both cases, requires a fair value to be fixed by the Auditors in accordance with paragraph (h).

- (f) At the expiration of such forty days, the directors shall allocate the Convertible Preference Shares comprised in the transfer notice in the following manner:
 - (i) to each purchasing member there shall be allocated his proportionate entitlement of Convertible Preference Shares determined in accordance with paragraph (e) or such lesser number of Convertible Preference Shares for which he may have validly applied;
 - (ii) if the number of Convertible Preference Shares which remain unallocated is less than the number of Convertible Preference Shares for

which valid excess applications have been made, the unallocated Convertible Preference Shares shall be allocated (as nearly as may be) in the proportions which the valid applications for excess Convertible Preference Shares bear to one another;

(iii) if the number of Convertible Preference Shares which remain unallocated equals or is greater than the number of Convertible Preference Shares for which valid excess applications have been made, each purchasing member who has applied for excess Convertible Preference Shares shall be allocated the number of excess Convertible Preference Shares for which he validly applied.

(g) Within fourteen days of the expiry of the forty day period under paragraph (e) in which applications from purchasing members can be made, the Company shall notify the proposing transferor and all purchasing members of the details of the applications which have been made and of the allocations made as between purchasing members under paragraph (f).

(h) If any purchasing member states in his application that he is not prepared to accept the offer price of Convertible Preference Shares, the Company shall arrange that the Auditors shall certify in writing the sum which, in their opinion, is the fair value of a Convertible Preference Share and such sum shall be deemed to be the fair value. In certifying such sum no account shall be taken by the Auditors of the size of the holding to be transferred or the number of Convertible Preference Shares already held by any

purchasing member. In so certifying, the Auditors shall be considered to be acting as experts and not as arbitrators and accordingly the Arbitration Acts 1950 and 1979 or any statutory re-enactment or modification thereof for the time being in force shall not apply. The cost of obtaining such Auditors' certificate shall be borne by those purchasing members who have required a fair value to be fixed, in proportion to the number of Convertible Preference Shares allocated to each such member.

- (i) Any sale of Convertible Preference Shares effected pursuant to this Article to a purchasing member who has stated that he is prepared to accept the offer price shall be at the offer price and any sale of Convertible Preference Shares effected pursuant to this Article to a purchasing member who has required a fair value to be fixed by the Auditors shall be at the fair value so fixed.
- (j) Within seven days of the certificate of the Auditors being received by the Company, the Company shall send a copy thereof to the proposing transferor and to all purchasing members.
- (k) The proposing transferor shall be bound, upon payment of the offer price or the fair value (as the case may be), to transfer the shares which have been allocated to the purchasing members pursuant to paragraph (f) to such purchasing members. If, after becoming so bound, the proposing transferor makes default in transferring the Convertible Preference Shares, the Company may receive the purchase money and the proposing transferor shall be deemed to have appointed any one director or the secretary of the Company as his agent to execute a transfer or

transfers of the Convertible Preference Shares to the purchasing members and, upon execution of such transfer or transfers, the Company shall hold the purchase money in trust for the proposing transferor. In the case of a transfer notice deemed to have been given in accordance with paragraph (b) or (m), the Company shall be entitled to deduct from the purchase money the cost of obtaining an Auditor's certificate pursuant to paragraph (h) to the extent (if any) that the proposed transferor concerned shall not have previously paid such cost. The receipt of the Company for the purchase money shall be a good discharge to each purchasing member and, after his name has been entered in the register of members of the Company, the validity of the proceedings shall not be questioned by any person.

- (1) Except in the case of a transfer notice deemed to have been given in accordance with paragraph (b) or (m), the proposing transferor may within two months of the date on which he receives notification of the details of the applications by purchasing members under paragraph (f) for Convertible Preference Shares or, where any purchasing member or members has not accepted the offer price, within two months of the receipt by the proposing transferor of a copy of the certificate of the Auditors under paragraph (h) for Convertible Preference Shares, transfer all, but not some, of the Convertible Preference Shares registered in his name which have not been accepted to the proposed transferee on a bona fide sale at the offer price or the fair value (after deduction, where appropriate, of any dividend or other distribution to be retained by the proposing transferor).

(m) If any member shall at any time attempt to deal with or dispose of any Convertible Preference Shares registered in his name (or the beneficial interest in any such Convertible Preference Shares) or the beneficial interest in any such Convertible Preference Shares becomes vested in any way in any other person otherwise than in accordance with the provisions of this Article, he shall be deemed to have given a transfer notice under paragraph (c) in respect of all the Convertible Preference Shares registered in his name immediately prior to such event and to have included in his transfer notice as the offer price such a sum as the Auditors shall determine in accordance with paragraph (h) and such transfer notice shall be deemed to have been served on the day on which the Board receives actual notice of such attempt.

5.5.2 Ordinary Shares: Article 5.5.1 shall apply in relation to Ordinary Shares mutatis mutandis, save that:-

- (a) "Convertible Preference Shares" shall mean "Ordinary Shares";
- (b) "holder(s) of Convertible Preference Shares and holder(s) of Ordinary Shares" in paragraphs (d) and (e) shall mean "holder(s) of Ordinary Shares and holder(s) of Convertible Preference Shares";
- (c) "the aggregate number of Convertible Preference Shares and Ordinary Shares" in paragraph (e) shall remain unchanged;
- (d) the following provision shall apply to Ordinary Shares as if it were included after paragraph (v) in Article 5.5.1(a):-

"(vi) in the case of Ordinary Shares owned as at the date of the adoption of these Articles by J.R.A. Freeland and M. Brocklehurst, to F.R. Northcott and Centric Investments Limited (in any proportions) or their nominees;".

5.5.3 Convertible Deferred Shares: Article 5.5.1 shall apply in relation to Convertible Deferred Shares mutatis mutandis, save that:-

- (a) "Convertible Preference Shares" shall mean "Convertible Deferred Shares";
- (b) "holder(s) of Convertible Preference Shares and holder(s) of Ordinary Shares" in paragraphs (d) and (e) shall mean "holders of Convertible Deferred Shares";
- (c) "the aggregate number of Convertible Preference Shares and Ordinary Shares" in paragraph (e) shall mean "the number of Convertible Deferred Shares".

PROCEDURE FOR VARIATION OF RIGHTS

6. If at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class), in any manner for the time being permitted by law, be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class (but not otherwise). All the provisions of these Articles relating to general meetings of the Company shall, mutatis mutandis, apply to every such meeting, except that:-

- (a) at any adjourned meeting of such holders one holder present in person or by proxy whatever the amount of his holding, shall be deemed to constitute a meeting; and
- (b) any holder of shares of the class shall, on a poll, have one vote in respect of every share of the class held by him.

VARIATION OF RIGHTS

7. For the purposes of Article 6, unless otherwise expressly provided by the rights attached to any shares or class of shares ("Relevant Shares"), those rights shall be deemed to be varied by:-

- (a) the reduction of the capital paid up on shares otherwise than by a purchase or redemption by the Company of its own shares;
- (b) by the allotment of other shares ranking in priority for payment of a dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by the Relevant Shares;
- (c) the passing of any resolution whereby the rights attaching to any other Shares in the Company are varied to result in income, capital or voting rights in respect of such other Shares more favourable than those conferred by the Relevant Shares and previously by such other Shares;
- (d) in the case of the Relevant Shares being Convertible Preference Shares or Convertible Deferred Shares, the Company effecting any subdivision or consolidation or reduction of the Ordinary Share capital of the Company,

but shall not otherwise be deemed to be varied by the creation or issue of other shares ranking *pari passu* with, or subsequent to, the Relevant Shares or by the purchase or redemption by the Company of any of its own shares.

TRANSFER OF SHARES - GENERAL

8. All transfers of shares shall be effected by instrument in writing in any form for the time being authorised by the Stock Transfer Act 1963 (or any statutory modification or re-enactment thereof for the time being in force) or in any other form which the directors may approve.

INTERESTS OF DIRECTORS

9. A director may vote at any meeting of the directors or a committee of the directors on any resolution concerning a transaction or arrangement with the Company or in which the Company is interested, or concerning any other matter in which the Company is interested, notwithstanding that he is interested in that transaction, arrangement or matter or has in relation to it a duty which conflicts or may conflict with the interests of the Company.

(129478C)

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

THEO FENNEL LIMITED

(as at 4 September 1992)

Freshfields
Whitefriars
65 Fleet Street
London EC4Y 1HS
PD/129478C