

Company No 2310921

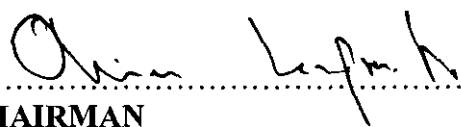
THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES

**WRITTEN SPECIAL RESOLUTION
OF
IMAS CONSULTANTS LIMITED**

PASSED ON THE 6th DAY OF FEBRAURY 2002

Pursuant to the Companies Act 1985 and the Articles of Association of the Company, all the members of the company have agreed to the following resolution being passed as special written resolution of the Company

“That the Articles of Association (in the form attached to this resolution marked “A” and initialled by the Chairman for the purposes of identification) shall be adopted as the new Articles of Association with immediate effect.”


.....
CHAIRMAN



Company No. 2310921

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

IMAS CONSULTANTS LIMITED

(As adopted by Special Resolution passed on 6th February 2002)

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THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION¹

- of -

IMAS CONSULTANTS LIMITED

PRELIMINARY

1. **Interpretation**

In these Articles the words in Column 1 shall bear the meaning assigned to them in Column 2:

COLUMN 1

COLUMN 2

“Auditors”

the auditors of the Company from time to time;

“Board”

the board of Board of the Company;

“the Company”

IMAS Consultants Limited (company number 2310921);

“Director”

a director of the Company;

¹ Articles of Association adopted by Special Resolution dated 6th February 2002.

"Paid-up Capital"	in respect of allotted share capital of the Company, that part which is paid up or credited as paid up;
"Register"	the register of members of the Company;
"Shareholder"	a shareholder of the Company;
"Table A"	Table A as prescribed by regulations made under Section 8 of the 1985 Act in force as at the date of adoption of these Articles; and
"the 1985 Act"	the Companies Act 1985.

- (2) In any case in these Articles, where a matter falls to be agreed and/or determined by the Board, that agreement and/or determination shall be in the absolute discretion of the Board without their having to assign any reason therefor and their determination shall be conclusive.
- (3) The headings in these Articles are for ease of reference and shall not affect the construction hereof.
- (4) Except where the context otherwise requires, words importing the singular shall include the plural (and vice versa), and words importing the masculine gender shall include the neuter and the feminine genders, and vice versa, and words importing persons include corporations, and vice versa.
- (5) The Regulations contained in Table A shall apply to the Company except insofar as they are excluded or modified by these Articles. The Regulations of Table A numbered 3, 24, 29, 30, 31, 40, 41, 65, 66, 67, 68, 69, 73, 74, 75, 76, 77, 78, 80, 81, 94, 95, 96, 97, 98, 110 and 118 shall not apply, but, subject as aforesaid, and in addition to the remaining Regulations of Table A, the following shall be the Articles of Association of the Company.

PRIVATE COMPANY

2. 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.

SHARES AND SHARE RIGHTS

3. (1) The share capital of the Company is £10,101 divided into 100 Ordinary Shares of £1.00 each (the "Ordinary Shares"), £10,001 divided into 10,000 "A" Redeemable Preference Shares of £1.00 each ("the "A" Preference Shares") and 1 "B" Redeemable Preference Share of £1.00 ("the "B" Preference Share").
- (2) The Ordinary Shares shall rank pari passu with each other and shall confer upon the holders of the Ordinary Shares (the "Ordinary Shareholders") the following rights:-
- (A) Dividend – subject to the rights attaching to the "B" Preference Share, the "A" Preference Shares and the provisions of the 1985 Act, the right to participate in the profits of the Company available for distribution and resolved by the Board to be distributed by way of dividend among the holders of the Ordinary Shares;
- (B) Capital – subject to any provisions made under Section 719 of the 1985 Act on a return of assets on a winding up, the right that the assets of the Company available for distribution among the members shall be applied in repaying to the holders of the Ordinary Shares the amounts paid up on such shares and thereafter the remaining assets available for distribution shall belong to and be distributed among the Ordinary Shareholders rateably according to the number of such shares held by them respectively;
- (C) Voting – the right to receive notice of and to attend and vote at all general meetings of the Company; and

(D) Class Meetings – the right to receive notice of and to attend and vote at all meetings of Ordinary Shareholders as a single class.

(3) The “A” Preference Shares shall confer upon the holders of the “A” Preference Shares (“the “A” Preference Shareholders”) the following rights:-

(A) Capital

(i) On a return of assets on a liquidation or otherwise, the right in priority to any payment to the holders of any Ordinary Shares but subject to the rights of the “B” Preference Share to receive all amounts credited as paid up on the “A” Preference Shares.

(B) Redemption

(i) A holder of “A” Preference Shares shall have the right to require the Company to redeem all or part of his holding of “A” Preference Shares at par at any time, provided that redemption shall only be effective if The Securities and Futures Authority Limited or such successor organisation as is designated the relevant Self-Regulating Organisation in accordance with the provisions of the Financial Services Act 1986 has been provided with six months written notice of such redemption.

The following provisions shall have effect in respect of such redemption:-

(a) The holder of “A” Preference Shares who wishes to exercise his right in accordance with this paragraph (b) (“the Redeemer”) shall exercise such right by notice in writing to the Company specifying the total number of “A” Preference Shares that he wishes to be redeemed and the date of redemption, such date to be four weeks from the date of such notice (“the Redemption Notice”). The Redeemer shall deliver to the Company the share

certificate(s) in respect of the "A" Preference Shares to be redeemed, together with the Redemption Notice;

- (b) There shall be paid on each "A" Preference Share to be redeemed the amount credited as paid up together with any accrued interest (such interest to arise in accordance with (i)(c) below;
- (c) If the Company shall be unable, in compliance with the provisions of any applicable statute, to redeem the "A" Preference Shares in accordance with this Article on the date specified in the Redemption Notice then the Company shall redeem such "A" Preference Shares as soon after such date as the Company shall be able to comply with the provisions and interest shall accrue at the rate of 10% per annum on the par value of the "A" Preference Shares which are not redeemed in accordance with this Article;
- (d) Upon any redemption, if any surrendered share certificate includes any "A" Preference Shares which have not been redeemed a new share certificate for the remaining "A" Preference Shares shall be issued to the Redeemer free of charge by the Company;
- (e) All rights in respect of any "A" Preference Shares redeemed hereunder shall cease from the date of redemption stated in the Redemption Notice unless payment in full under (i)(b) above has not been made at that date in which case the "A" Preference Shares shall have the right to vote in accordance with (C) below notwithstanding the fact that the share certificates in

respect of such "A" Preference Shares have been tendered.

(C) Voting

- (i) The holders of "A" Preference Shares shall be entitled to notice of and to attend at general meetings but shall not be entitled to vote either in person or by proxy upon any resolution unless on the date of redemption set out in a Redemption Notice the Company does not effect full payment of the redemption monies due, when an "A" Preference Share which the Company has failed to do so redeem shall thenceforth carry equal voting rights with an Ordinary Share but subject to the "B" Preference Share, the "A" Preference Share ranking pari passu with the Ordinary Share but subject to the "B" Preference Share until such "A" Preference Share has been redeemed in full by the Company.
- (4) The "B" Preference Share shall confer upon the holders of the "B" Preference Share (the "B" "Preference Shareholders") the following rights:-

(A) Dividend

- (i) the "B" Preference Share shall confer the right to receive, in priority to any payment of dividend to the Ordinary Shareholders and the "A" Preference Shareholders, out of the profits available for distribution, an amount as calculated in accordance with sub-Article 3(5) below. Such preferential dividend shall be paid at the end of each month to the "B" Preference Shareholder on the Register on such payment date in such year. Subject to such profits being available for distribution and the passing of such resolution, the first such payment shall be made on the 28th February 2002 in respect of the period from the date of allotment, of any such "B" Preference Share to such date. The "B"

Preference Share shall not rank or be deemed to rank for any dividend in respect of any period before the date of allotment.

- (ii) If the amount of the dividend resolved to be distributed is not sufficient to pay such preferential dividend or any arrears thereof to the "B" Preference Shareholder, the amount so resolved shall be paid without prejudice to his entitlement to be paid the balance of such dividend or any such arrears.
- (iii) Without prejudice to the rights of the "B" Preference Shareholder hereunder, any amount of preference dividend not paid in accordance herewith shall be carried forward and become payable without any resolution of the Board or of the Company in general meeting (and notwithstanding anything contained in Regulations 102 to 104 (inclusive) of Table A) on the next date on which the preference dividend is payable in priority to the preference dividend payable on that date provided that the dividend carried forward shall be paid only to the extent that such distribution does not contravene Sections 263, 264 or 265 of the 1985 Act and provided further that the Board may by resolution direct that payment of any dividend shall be postponed in whole or in part, until in the opinion of the Board there are monies available to the Company to pay the same.
- (iv) No dividend shall be declared or paid on the Ordinary Shares or the "A" Preference Shares unless or until the preference dividend in respect of previous dividend periods shall have been actually paid in full.
- (v) The "B" Preference Share shall not confer the right to any other dividend or other right of participation in the profits of the Company.

(B) Capital

- (i) The assets of the Company available for distribution to the Ordinary Shareholders, the "A" Preference Shareholders and the "B" Preference Shareholder of the Company on a winding-up or other return of capital (other than redemption of the "B" Preference Share) shall be applied in priority to any repayment of capital on any Ordinary Shares or on "A" Preference Shareholders in paying to the "B" Preference Shareholder (a) the amounts paid up on the "B" Preference Share and (b) a sum equal to any arrears or accruals of the preferential dividend thereon to be calculated down to the date of return of capital (on a day to day basis) and to be payable whether or not such dividend has been declared or earned.
- (ii) the "B" Preference Shareholder shall not be entitled to any further or other right of participation in the assets of the Company on a winding-up or other return of the amounts paid up on such share on liquidation.

(C) Redemption

- (i) Subject to the provisions of the 1985 Act and of this Sub-Article (C), the Company shall redeem the "B" Preference Share (to the nearest whole number) at par on the later of 31st October 2002 or the date upon which all preference dividends have been paid.

However, the Company may redeem the "B" Preference Share in issue on any earlier date if so resolved by a special resolution passed by the Ordinary Shareholders as a class and by the "B" Preference Shareholder as a class.

- (ii) The Company shall for such purpose give not less than 10 days' notice to the "B" Preference Shareholder of any redemption.

Any notice of redemption to the "B" Preference Shareholder shall specify the date fixed for redemption and the place in the United Kingdom at which the certificates for such Preference Share is to be presented for redemption, and on or prior to such date the registered holder shall be bound to deliver to the Company at such place the certificate for such "B" Preference Share, in order that the same may be cancelled. Subject to Sub-Article C(iv), forthwith upon such date, the Company shall pay to the registered holder thereof the amount due to him pursuant to this Sub-Article (C) in respect of such redemption.

(iii) There shall be paid on the "B" Preference Share redeemed in accordance with this Sub-Article (C):-

- (a) the amount paid or credited as paid thereon; and
- (b) a sum equal to any arrears or accruals of the preferential dividend thereon (such arrears of accruals to be calculated down to the date of redemption of such share whether such dividend has been earned or declared or not).

(iv) If the "B" Preference Shareholder shall fail or refuse to deliver up the certificate for his shares in accordance with this Sub-Clause (C), the Company may retain the redemption moneys until delivery of the certificate or of an indemnity in respect thereof satisfactory to the Board but shall within 14 days thereafter pay the redemption moneys to such holder.

(D) Voting

The "B" Preference Share shall carry the right to receive notice of and to attend at all general meetings of the Company but shall carry no right to vote at any general meeting, whether on a show of hands or on a poll except in relation to any resolution which varies the rights of the "B"

Preference Shareholder. The rights attaching to the "B" Preference Share shall be varied:-

- (i) by any alteration, or increase or reduction or sub-division or consolidation of the authorised or issued share capital of the Company, or by variation of the rights attached to any of the shares for the time being in the capital of the Company; or
- (ii) by the sale of the undertaking of the Company or any substantial part thereof; or
- (iii) by the application by way of capitalisation of any sum in or towards paying up any loan or debenture stock of the Company; or
- (iv) by the calling of a meeting of the Company for the purpose of considering a resolution for the winding up of the Company; or
- (v) by the calling of a meeting of the Company for the purpose of considering a resolution to approve a contract by the Company to purchase any of its Ordinary Shares; or
- (vi) by the calling of a meeting of the Company for the purpose of considering a resolution for amending the memorandum or articles of association of the Company; or
- (vii) by the calling of a meeting for the purpose of reducing the Company's share capital or the amount (if any) for the time being standing to the credit of its share premium account or capital redemption reserve in any manner for which the consent of the Courts would be required pursuant to the 1985 Act; or
- (viii) while any preference dividend is in arrears, by the making of any distribution to any Ordinary Shareholders; or

- (ix) whilst any preference dividend is in arrears, by the capitalisation of any undistributed profits (whether or not the same are available for distribution and including profits standing to any reserve) or any such standing to the credit of its share premium account or capital redemption reserve.

(E) Class Meetings

The "B" Preference Share shall carry the right to receive notice of and to attend and vote at all meetings of the "B" Preference Shareholder as a class.

(5) The amount of the dividend payable upon the "B" Preference Share shall be

(A) an amount equal to 50% of any Success Fees earned but not invoiced before 1st November 2002

(B) For these purposes:-

(i) "Success Fees" means fees (net of VAT) payable by a client of the Company as identified in the Agreement dated 6th February 2002 between the Company (1) each of the shareholders (2) and Resolution Partners Limited (3) upon completion of any transaction by that client less a deduction equal to the notional corporation tax at the prevailing rate then applying to the Company;

(ii) "earned" shall mean when actual received in cash by the Company.

No preference dividend shall accrue in respect of a Success Fee until such Success Fee has been billed by the Company and cash in settlement thereof has been received.

AUTHORITY TO ALLOT SHARES

4. (1) The Board shall have unconditional authority to allot, grant options over, offer or otherwise deal with or dispose of any relevant securities or other shares of the Company to such persons, at such times and generally on such terms and conditions and carrying such rights or being subject to such restrictions as the Board may determine. This authority shall, subject to Section 80(7) of the 1985 Act, be for a period expiring on the fifth anniversary of the date of adoption of these Articles unless renewed, varied or revoked by the Company in General Meeting, and the maximum amount of relevant securities which may be allotted pursuant to such authority shall be the authorised but as yet unissued share capital of the Company at the date hereof being the aggregate sum of £100,000.

(2) The Board shall be entitled under the authority conferred by sub-paragraph (1) of this Article or under any renewal of that authority to make at any time prior to the expiry of such authority any offer or agreement which would or might require relevant securities of the Company to be allotted after the expiry of such authority.
5. Subject to Article 10(2) the pre-emption provisions of sub-section (1) of Section 89 of the 1985 Act and the provisions of sub-sections (1) to (6) (inclusive) of Section 90 of the 1985 Act shall not apply to any allotment of the Company's equity securities.
6. The lien conferred by Regulation 8 of Table A shall attach to fully paid shares and to all shares registered in the name of any person indebted or under liability to the Company. The lien shall extend to all moneys presently payable by him or his estate to the Company.
7. Subject to the provisions of the 1985 Act, any shares in the capital of the Company may be issued on the terms that they are, or at the option of the Company are to be liable to be redeemed, on such terms and in such manner as the Company before the issue of the shares may by Special Resolution determine.

8. Subject to the provisions of the 1985 Act, the Company shall be entitled to redeem or purchase its shares out of capital (within the meaning of Section 171(2) of the 1985 Act) or otherwise.

NOTICES

9. Every notice calling a General Meeting shall comply with the provisions of Section 372(3) of the 1985 Act, as to giving information to Members in regard to their right to appoint proxies, and all notices and other communications relating to a General Meeting which any Member is entitled to receive shall also be sent to the auditor for the time being of the Company.

VARIATION OF RIGHTS

10. (1) Any variation of the rights attaching to the Ordinary Shares or the "A" Preference Shares shall be deemed to be a variation of the rights attaching to the "B" Preference Share (and vice versa) and the rights attaching to each class of Shares may only be varied if:
- (a) the holders of three-quarters in nominal value of the issued shares of each class consent in writing to the variation; or
 - (b) an extraordinary resolution passed at a separate general meeting of the holders of each class sanctions the variation.
- (2) Except with the sanction of an ordinary resolution of the Ordinary Shareholders in the case of Ordinary Shares (acting as one class) upon any issue of Ordinary Shares after the date of adoption of these Articles such Ordinary Shares shall be first be offered to the existing Ordinary Shareholders in such proportion as the Board may determine. Apart from the "B" Preference Share issued to Mr. Simpson, no other "B" Preference Shares shall be issued without Mr. Simpson's prior written consent.

The Board may limit a time within which such offer shall be open to acceptance. Shares not taken up within the specified time by the person to whom they are

first offered shall be offered in the case of Ordinary Shares, in such proportion as the Board determine.

BENEFICIAL OWNERSHIP OF SHARES

11. (1) In this Article 11, the following expressions shall bear the meanings set opposite them respectively below:-

“Beneficially Interested”

means the interest of a Shareholder and, for these purposes, a registered holder following an allotment or transfer to a Family Trust or Privileged Relation, shall be deemed to remain Beneficially Interested;.

“Family Trusts”

means as regards any particular individual Shareholder or deceased or former individual, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than that individual and/or Privileged Relations of that individual; and so that for this purpose, a person shall be considered to be beneficially interested in a Share if such Share or the income thereof, is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto, are or may become liable to be exercisable by or as directed by, such person pursuant to the terms

of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

“Permitted Transfer”

means a transfer of shares authorised by Article 11(2);

“Permitted Transferee”

means a person, firm or unincorporated association to whom or which shares have been transferred pursuant to a Permitted Transfer;

“Privileged Relation”

means, in relation to an individual Shareholder, or deceased or former individual the husband or wife or the widower or widow of such Shareholder, and all the lineal descendants in direct line of such Shareholder, and a husband or wife or widower or widow of any of the above persons, and for the purposes aforesaid, a stepchild or adopted child or illegitimate child of any person shall be deemed to be his or her lineal descendant; and

“the Relevant Shares”

(so far as the same remain for the time being held by the trustees of any Family Trusts) the shares originally acquired by such trustees and any additional shares issued to such trustees by way of capitalisation or acquired by such trustees in exercise of any right or option granted or arising by virtue of the holding of such shares or any of them or the membership thereby conferred.

This Article 11 shall be without prejudice to Article 12 (“Compulsory and

Voluntary Sale and Transfer”).

- (2) No transfer of the legal or equitable ownership in any Shares may take place otherwise than in accordance with Articles 11,12, 13 or 14. The Board shall have no right to refuse to register the following share transfers:-
 - (a) by any individual Shareholder (not being in relation to the shares concerned a holder thereof as a trustee of any Family Trusts) to a Privileged Relation of such shareholder ; or
 - (b) by any such individual Shareholder to trustees to be held upon Family Trusts related to such individual shareholder.
- (3) (a) Where shares have been issued to trustees of Family Trusts or transferred under Article 11(2) to trustees of Family Trusts, the trustees and their successors in office may (subject to the provisions of Article 11(2)) transfer all or any of the Relevant Shares:-
 - (i) to the trustees for the time being of the Family Trust concerned on any change of trustees;
 - (ii) to the trustees for the time being of any other trusts being Family Trusts in relation to the same individual Shareholder or deceased or former Shareholder pursuant to the terms of such Family Trusts or to any discretion vested in the trustees thereof or any other person; or
 - (iii) to the Relevant Shareholder or former Shareholder or any Privileged Relation of the Shareholder or deceased or former Shareholder who has thereby become entitled to the shares proposed to be transferred on the total or partial termination of or pursuant to the terms of the Family Trusts concerned or in consequence of the exercise of any such power or discretion as aforesaid.

- (2) If and whenever pursuant to a transfer under Article 11(3) any of the Relevant Shares come to be held otherwise than upon Family Trusts it shall be the duty of the trustees or other person holding such shares to notify the Board in writing that such event has occurred and the trustees or other person shall be bound if and when required in writing by the Board to do so, to give a Transfer Notice (in accordance with Article 12) in respect of the shares concerned.
- (3) If a person to whom shares have been transferred pursuant to Article 11(2) shall cease to be a Privileged Relation, such person shall be bound, to notify the Board in writing accordingly and if and when required in writing by the Board so to do, to give a Transfer Notice in accordance with Article 12 in respect of the Relevant Shares concerned.

12. **COMPULSORY AND VOLUNTARY SHARE SALE AND TRANSFER**

- (1) In this Article 12 and Article 13, the following expressions shall bear the meanings set opposite them respectively below

“Acceptor”	A person to whom Transfer Shares are offered pursuant to this Article 12 and Article 13 and who accepts such offer;
“Accepted Shares”	Transfer Shares which are accepted by a person to whom they are offered pursuant to this Article 12 and Article 13;
“Fair Value”	The fair value of Transfer Shares as determined in accordance with Article 13 (“Mechanics of Share Transfer”);
“Person eligible to hold Transfer Shares”	A person in whose name Transfer Shares may be registered without breaching at the anticipated time of registration any provisions of these Articles;

“Sale Notice”

A written notice given by a holder of Shares to the Board pursuant to sub-Article 12(2)(b) informing the Board of the wish of the person giving the notice to sell part or all of his Shares at the Fair Value and specifying the number and type of Shares proposed to be sold or transferred;

“Transferor”

A person to whom a Transfer Notice is given pursuant to this Article 12;

“Director’s Nominee”

A person nominated by the Board by notice in writing to the Transferor as a person to whom Transfer Shares may be offered under sub-Article 13(2);

“Transfer Notice”

A notice in writing given by the Board to a holder of Shares pursuant to this Article 12 requiring that the Shares specified therein be transferred at Fair Value to the persons and in the order specified in sub-Article 13(3); and

“Transfer Shares”

The Shares specified in a Transfer Notice being Shares to which sub-Article 12(2) or sub-Article 12(3) apply.

(2) If:

- (a) the transfer or holder of Ordinary Shares, “A” Preference Shares or the “B” Preference Share is in breach of Article 11 (“Beneficial Ownership of Shares”); or
- (b) any holder of Ordinary Shares gives the Board a Sale Notice;

the Board shall, as soon as practicable thereafter give a Transfer Notice complying with sub-Article 12(1) to the person who is the holder of the Shares concerned (or in the case of paragraph (a) above, to the person who served the Sale Notice on the Board) with respect to the Shares to which this sub-Article

12(2) applies provided always that in a case where paragraphs (a) and (b) above apply but the Shares in question are held by more than one person, such Transfer Notice need only be given to such holders as the Board may in their absolute discretion and without assigning any reason therefor determine and their determination shall be conclusive.

- (3) If any Shareholder is adjudicated bankrupt, or makes any arrangement or composition with its or his creditors generally, or anything analogous to any of the events specified in this paragraph occurs under the laws of any applicable jurisdiction, the Board may determine to give a Transfer Notice, complying with sub-Article 12(1) to the holder of such Shares with respect to such of the Ordinary Shares held by him requiring him to transfer such Shares.

13. **TRANSMISSION OF SHARES**

(1) If:

- (a) any Shareholder (being an individual including one or more joint holders) dies; or
- (b) any Shareholder is adjudicated bankrupt (being an individual) or enters into liquidation or has appointed a receiver, administrative, receiver or administrator over all or any of its assets or undertaking; or
- (c) any Shareholder makes an arrangement or composition with its or his creditors generally, the directors may determine to give a Transfer Notice to the Shareholder with respect to such of the Ordinary Shares held by him (whether solely or jointly) requiring him to transfer such shares to such person as may be specified in the Transfer Notice.

- (2) If the Directors determine not to give such a Transfer Notice under Article 13(1) in respect of Ordinary Shares, or otherwise in relation to the "A" Preference Shares or the "B" Preference Share, a person becoming entitled in consequence of the death or bankruptcy of a shareholder may upon such evidence being produced as may from time to time properly be required by the Director (the person so entitled being treated

for this purpose as holder of the Share registered in the name of the deceased or bankrupt member as the case may be), elect either to be registered himself as holder of the Share or to have some person nominated by him registered as the transferee thereof.

- (3) A person so becoming entitled to a Share in consequence of the death or bankruptcy of a member may give a Sale Notice in respect of such Share in which case the provisions of Article 12 shall apply.
- (4) Pending transfer of the Share under Sub-Article 13(2) or the giving of a Sale Notice under Article 12 or, the serving on such holder of a Transfer Notice under Sub-Article 13(1) and a person becoming entitled to a Share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Shares except that he shall not be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

14. MECHANICS OF SHARES TRANSFER

- (1) (a) Shares shall not be transferred to an infant, bankrupt or a person who is a patient within the meaning of the Mental Health Acts or to any person who is prohibited by these Articles from holding such Shares.
- (b) The instrument of transfer of any Shares shall be executed by or on behalf of the Transferor who shall be deemed to remain the holder of such Shares until the name of the Transferee is entered in the Register in respect thereof and the Board may refuse to register the transfer of a Share (i) on which the Company has a lien; or (ii) unless the certificate of such Share or other evidence satisfactory to the Board of the right to make the transfer is produced to the Board (Regulation 23 of Table A shall be deemed modified accordingly).
- (c) The Board shall register a transfer of a Share in the Company if (and only if) it is made in accordance with the preceding Article 11, 12 or this Article 13 (Regulation 24 of Table A shall be modified accordingly).

- (2) (a) The Board shall offer the Transfer Shares for sale at their Fair Value to members of the Company (other than the Transferor) as required by Article 12 and this Article 13.
- (b) Subject to:
- (i) compliance by the Acceptor with the provisions of these Articles relating to the holding of Shares and obtaining registration of transfer of Shares and;
 - (ii) payment by the Acceptor to the Transferor of the Fair Value thereof within such period as the Board may reasonably direct,
 - (iii) the Transferor shall at the written request of the Board execute and deliver to the Company one or more forms of transfer as may be required for transfer of the Accepted Shares to the Acceptor thereof and if the Transferor shall fail to do so within 14 days of service of the request the Board shall authorise an officer of the Company to execute such forms of transfer in accordance with the provisions of sub-Article 13(3) which shall thereupon apply.
- (c) If thereafter any person to whom the Transferor is under any provision of Articles 12 and 13 bound to transfer Shares fails to make payment of their Fair Value at the time stipulated by the Board, the Board may as soon as practicable, offer the Transfer Shares in question to some other Board Nominee willing to accept and pay for the same. The Board shall in such case serve a notice on the Transferor specifying the name of the Board Nominee and the number of the Transfer Shares to be transferred to him and the Transferor shall within fourteen days of the service on him of such notice, execute and deliver to the Company a form of transfer transferring such Shares in accordance therewith.
- (3) (a) Subject to all other provisions of these Articles relating to the acquisition and holding of Shares in the Company Ordinary Shares in respect of which a Transfer Notice or Sale Notice has been given shall be offered to such of the

other Ordinary Shareholders (excluding the Transferor) prepared to purchase them and if there are more Ordinary Shareholders prepared to purchase than there are Ordinary Shares available, then their entitlement shall be scaled down pro-rata to their actual holdings of Ordinary Shares. If there is no other Ordinary Shareholder prepared to purchase all the Ordinary Shares for the Fair Value on the basis set out above, then such shall be offered for purchase to a Board Nominee or failing which to any third party as the Board may approve.

- (b) the "B" Preference Share shall not be transferable by Mr. Simpson, other than in accordance with Article 11 ("Beneficial Ownership of Shares") or Article 12 ("Transmission") above, or otherwise with the consent of a majority of the Ordinary Shareholders.
 - (c) As soon as possible after the determination of the Fair Value therefor pursuant to sub-Articles 13(6) or 13(7), the Board shall give written notice of all offers to sell (relating to Ordinary Shares made as a result of a Transfer Notice or Sale Notice and pursuant to this sub-Article) to the persons entitled thereto under paragraph (a) above. The Board at the same time as giving such written notice shall enquire of the other Ordinary Shareholders whether they wish to acquire for the Fair Value any entitlement to Transfer Shares not taken up by other members of their respective class of Shares and if so how many.
- (4) The occurrence of any matter entitling the Board to serve a Transfer Notice shall constitute irrevocable authority to the Board to offer the Transfer Shares for sale at their Fair Value on behalf of the Transferor to the persons specified in sub-Article 13(3).
 - (5) Subject as provided in sub-Article 13(6) below, as soon as possible after a Sale Notice and/or service of a Transfer Notice, the Board shall procure that the Fair Value for the Transfer Shares shall be fixed by agreement between the Transferor and the Board or, failing agreement, shall be such sum as the Auditors, (or failing whom, a chartered accountant agreed upon between the Transferor and the Board or, in default, a chartered accountant nominated by the President of the Institute of Chartered Accountants for

England and Wales may determine) shall certify to be the Fair Value thereof. In the making of such valuation, account shall be made of the following:-

- (a) any bona fide offer for shares in the Company received from an unconnected third party within six months of the Transfer Notice having been given;
 - (b) no account shall be taken of whether the Transfer Shares comprise a minority or majority interest in the Company; and
 - (c) it shall be assumed that the holder of the Transfer Shares is a willing seller and that there is a willing purchaser for cash of such shares.
- (6) If Mr. Simpson is a Bad Leaver, the Fair Value shall not be calculated in accordance with sub-Article 13(5) in relation to the "B" Preference Share, but the Fair Value shall be deemed for the purposes of these Articles to be £1.00.
- (7) When any person (being a chartered accountant or the Auditors) shall make a determination of Fair Value of Transfer Shares for the purposes of the Article 13(5) ("the Valuer"), he shall act as an expert and not as an arbitrator and the provisions of the Arbitration Act 1996 shall not apply. The decision of the Valuer shall in the absence of manifest error be conclusive and binding. The Valuer's fees shall be borne by the Company except as provided by sub-Article 13(8) or as prohibited by law.
- (8) As soon as practicable after issue of a Valuer's certificate, the Board shall notify the Transferor of the Fair Value thereby determined and, except where the Transfer Shares are the subject of a Transfer Notice under sub-Article 12(2)(a) or (b), the Transferor shall (in the case of a Sale Notice and/or Transfer Notice relating to Ordinary Shares only) then be entitled by written notice given to the Board within 7 days of receipt of such notification, to withdraw his Transfer Notice or Sale Notice (which withdrawal shall terminate the Board authority to offer the Transfer Shares for sale) in which case the Transferor shall be liable to pay the Valuer's fees.
- (9) As soon as practicable after the expiry of each of the applicable 28 day periods (being the periods specified in sub-Article 13(3)), the Board shall give notice to and shall

advise the Transferor of the names and addresses of the members or other persons (if any) who notified their willingness to purchase some or all of the Transfer Shares.

- (10) Where the Board has sold any Shares in accordance with the foregoing procedure, the Transferor shall transfer such Shares to the Acceptor against payment of the Fair Value pursuant to sub-paragraph (ii) of paragraph (b) of sub-Article 13(2) and if the Transferor neglects or refuses to do so the Board shall authorise an officer of the Company as the agent of the Transferor to execute a transfer of the Shares to the Acceptor which transfer shall be valid and effective and the Company may itself receive and give a good receipt for the purchase price therefor and register the Acceptors as holders of the Shares whereupon the Acceptors shall become indefeasibly entitled thereto. In such case the Transferor shall be obliged to deliver up the certificate or other evidence reasonably requested by the Board for the Shares so sold against delivery whereof he shall be entitled to receive the purchase price without interest and a balance certificate for the unsold Shares (if any) comprised within the certificate so surrendered.

15. **GENERAL OFFERS AND COMPULSORY PURCHASES**

- (1) If at any time an offer is made for the whole of the issued share capital of the Company which is accepted by the holders of seventy-five (75%) or more of the Ordinary Shares, the holders of Ordinary Shares in the Company who have not accepted such offer shall be obliged to accept such offer in respect of the Ordinary Shares held by them in accordance with such offer and the pre-emption rights set out in Article 12 shall not apply to a transfer required to be made hereunder. If any person (a "Compulsory Transferor") fails to transfer any shares in accordance with this Article 14 within 28 days of the offer having been made, the Board may authorise any person to execute and deliver on his behalf the necessary stock transfer form and the Company shall receive the purchase money in trust for the Compulsory Transferor and cause the purchaser to be registered as the holder of such shares (subject to payment of any stamp duty). The receipt of the Company for the purchase money shall be a good discharge to the purchaser (who shall not be bound to see to the application thereto). The Compulsory Transferor shall in such case be bound to deliver up his certificate or such evidence

reasonably required by the Board for such shares to the Company where upon he shall be entitled to receive the purchase price without interest.

- (2) (a) Notwithstanding anything contained in these Articles, no sale or transfer of any shares ("the Specified Shares") shall, if intended to be made to a person (which shall include a company controlled by such person and/or any person acting in concert with such person and/or any Family Trust and/or Privileged Relation (each defined in Article 11) of such person) and which would if made and registered result in such person (including as aforesaid) obtaining a Controlling Interest in the Company, be made or registered unless the proposed transferee or his nominee has offered to purchase all of the Ordinary Shares at the Specified Price.
- (b) For the purpose of this provision, the expression "a Controlling Interest" shall mean shares conferring in the aggregate more than 50 per cent of the total voting rights conferred by all the Ordinary Shares in the capital of the Company for the time being issued and conferring the right to vote at all General Meetings. All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this Article 14(2).

Notwithstanding anything in this Article, no transfer of any share shall after registration of such transfer be deemed to be invalid by reason only that it was made in contravention of the foregoing provision, if the Board shall prior to the registration thereof have obtained from the transferor and transferee a Statutory Declaration that so far as the transferor and transferee are respectively aware the transfer is not being made directly or indirectly in pursuance of any arrangement for the sale or acquisition of a Controlling Interest in the Company and will not result in such a controlling interest being acquired by any person or persons.

- (a) For the purpose of this Article:-

- (i) the expressions "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renounce under any such letter of allotment; and
- (ii) "the Specified Price" shall mean, for the Ordinary Shares , a price per share at least equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for the Specified Shares to the holders thereof plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Specified Shares. In the event of disagreement, the calculation of the Specified Price for Ordinary Shares shall be referred to a valuer by the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountant in England and Wales) whose decision shall in the absence of manifest error be final and binding.

PROCEEDINGS AT GENERAL MEETINGS

16. The provision of these Articles relating to general meetings shall apply mutatis mutandis to meetings of any class of shares.

No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, and holding or representing one-third in nominal value of the issued shares in that class shall be a quorum. However, if the Company shall at any time be a single member company, one such person shall constitute a quorum.

16. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it 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 Board determines, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved.

17. It shall not be necessary to give any notice of an adjourned meeting and Regulation 45 of Table A shall be construed accordingly.
18. 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.
19. Subject to any rights or restrictions attached to any shares, on a show of hands every Member who is present in person or by a duly authorised representative, not being himself a Member entitled to vote, shall have one vote and on a poll every Member shall have one vote for every share of which he is the holder.
20. Any corporation which is a Member of the Company may by resolution of its Board or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be 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 of the Company.

VOTES OF MEMBERS

21. There shall be inserted the words "Unless the Board otherwise determine" before the words "No member shall" in Regulation 57 of Table A which shall be modified accordingly. Notwithstanding the above:-

- (a) a Shareholder entitled to vote may appoint one or more proxies in accordance with Regulation 59 of Table A but the instrument appointing the proxy must be in writing under the hand of the appointor, if the appointor is a body corporate, under its seal (if any) or under the hand of an officer duly authorised (but so that the Board is to be entitled to require evidence of the authority of such officer) and a vote given by proxy on a particular resolution may not be treated as valid or effective unless the instrument appointing such proxy relates only to the meeting at which that resolution is to be considered and either:-
- (b) such instrument specifies whether the proxy is to vote for or against such resolution; or
- (c) such resolution is for an amendment to any resolution in respect of which the proxy has been directed to vote (either for or against); or
- (d) such resolution is a motion for an adjournment or for the appointment of a chairman.
- (e) a corporation which is a Shareholder of the Company may subject to, and in accordance with, any other provision of these Articles exercise the powers conferred by section 375(1)(a) of the 1985 Act to appoint a person as its representative but the Board are to be entitled to require evidence of the authority of such representative.

22. Evidence of the fact that a proxy is duly appointed may be accepted by the Board less than 48 hours before the time appointed for the meeting but this power shall not prevent the Board from requiring that 48 hours notice be given in any given case and Regulation 62 of Table A shall be construed accordingly.

BOARD

23. A Director need not hold any shares of the Company to qualify him as a Director but he shall be entitled to receive notice of and attend at all General Meetings of the Company

and at all separate General Meetings of the holders of any class of shares in the capital of the Company.

24. The number of Board may be fixed by the Ordinary Shareholders of the Company in general meeting and until so fixed there shall be not less than two Board members.
25. Without prejudice to the obligation of any Director to disclose his interest in accordance with Section 317 of the 1985 Act a Director may vote as a Director in regard to any contract, transaction or arrangement in which he is interested, or upon any matter arising therefrom, and if he does so vote his vote shall be counted and he shall be included in calculating a quorum when any such contract, transaction or arrangement is under consideration.
26. The office of Director shall be vacated if the Director:-
 - (a) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (b) becomes disqualified from being a Director by reason of any order made under the Company Board Disqualification Act 1986 or is otherwise so prohibited or disqualified under any statutory provision for the time being in force; or
 - (c) in the reasonable opinion of all his co-Board becomes incapable by reason of mental disorder of discharging his duties as Director; or
 - (d) resigns his office by notice in writing to the Company.
27. Without prejudice to the powers of the Board under Regulation 79 of Table A, the Company may by Ordinary Resolution of the Ordinary Shareholders appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director.
28. A Director appointed to fill a casual vacancy or as an addition to the Board shall 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.
29. Regulation 82 of Table A shall be amended by the addition of the following:

"Such remuneration shall be divided between the Board in such proportion and manner as the Board may unanimously determine or in default of such determination equally. Any Director who, at the request of the Board, performs special services or goes or resides abroad for any purpose of the Company may receive such extra remuneration by way of salary, commission or participation in profits, or partly in one way and partly in another, as the Board may determine."

30. (1) Any Director may by writing under his hand appoint (a) any other Director, or (b) any other person who is approved by the Board as provided by these Articles to be his alternate. Every such alternate shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of the Board and, in the absence of the Director appointing him, to attend and vote at meetings of the Board, and to exercise all the powers, rights, duties and authorities of the Director appointing him. No such appointment of a person other than a Director shall be effective unless and until the approval of the Board by a majority consisting of not less than two-thirds of all the Board shall have been given. A Director may at any time revoke the appointment of an alternate appointed by him, and, subject to such approval as aforesaid, appoint another person in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine. A Director acting as alternate shall have an additional vote at meetings of the Board for each Director for whom he acts as alternate, but he shall count as only one for the purpose of determining whether a quorum is present.
- (2) Every person acting as an alternate Director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. The remuneration of any such alternate Director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such portion of the last-mentioned remuneration as shall be agreed between the alternate and the Director appointing him.

31. No person shall be or become incapable of being appointed a Director by reason only of his having attained the age of seventy or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person, and no Director shall vacate his office at any time by reason only of the fact that he has attained the age of seventy or any other age.
32. The Board may from time to time appoint one or more of their body to hold any executive office in the management of the business of the Company including the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director as the Board may decide, such appointment being (subject to Section 319 of the 1985 Act, if applicable) for such fixed term or without limitation as to period and on such terms as they think fit and a Director appointed to any executive office shall (without prejudice to any claim for damages for breach of any service contract between him and the Company) if he ceases to hold the office of Director for any cause immediately cease to hold such executive office.
33. All or any of the Board or any committee of the Board may participate in a meeting of the Board or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and speak to each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
34. Regulation 88 of Table A shall be amended by substituting for the sentence "It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom." the following sentence:
- "Notice of every meeting of Board shall be given to each Director or his alternate Director, including Board and alternate Board who may be absent from the United Kingdom and have given the Company their address outside the United Kingdom."

BORROWING POWERS

35. Subject as provided in these Articles and in particular Article 3(4), the Board may exercise all the powers of the Company (whether express or implied):

- (1) of borrowing or securing the payment of money;
- (2) of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts;
- (3) entering into leasing, hire or credit purchase transactions; and
- (4) of mortgaging or charging the property assets and uncalled capital of the Company and issuing debentures

THE SEAL

36. The Board or a committee of Board authorised by the Board may by telephone or telex communication or by facsimile reproduction authorise the Secretary or any Director to use the Seal and the transmission of such authority shall constitute a determination in such case that the Secretary or the named Director alone may sign any instrument to which the Seal is to be affixed pursuant to that authority, and Regulation 101 of Table A shall be modified accordingly.
37. Subject to the provisions of the 1985 Act, a document signed by a Director and the Secretary of the Company, or by two Board of the Company and expressed (in whatever form of words) to be executed by the Company has the same effect as if executed under the Seal of the Company.

RESERVES

38. Subject to Article 3, the Board may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be used in the business of the Company or be invested (other than in shares of the Company) as the Board may from time to time think fit. The Board may also without placing the same to reserve, carry forward any profits which they may think prudent not to divide.

PROVISION FOR EMPLOYEES

39. The Company shall exercise the power conferred upon it by Section 719 of the 1985 Act only with the prior sanction of a Special Resolution. If at any time the capital of the Company is divided into different classes of shares, the exercise of such power shall be deemed to be a variation of the rights attached to each class of shares and shall accordingly require the prior consent in writing of the holders of three-fourths in nominal value of the issued shares of each class or the prior sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of each class convened and held in accordance with the provisions of Section 125 of the 1985 Act.

INDEMNITY

40. Subject to the provisions of the 1985 Act, but without prejudice to any indemnity to which he may otherwise be entitled, every Director or other officer or auditor of the Company shall be entitled to be indemnified, out of the assets of the Company, against all losses or liabilities which he may sustain or incur in or about or in connection with the execution of the duties of his office, including any liability incurred by him in defending any proceedings, (whether civil or criminal), in which judgment is given in his favour or in which he is acquitted, or in connection with any application under Section 727 of the 1985 Act in which relief is granted to him by the Court. No Director or other officer of the Company shall be liable for any loss, damage or liability which may accrue to or be incurred by the Company in the proper execution of or in relation to the duties of his office. This regulation shall have effect only insofar as its provisions are not rendered void by Section 310 of the 1985 Act.
41. The Board shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Board, officers or employees of the Company or of any other company in which the Company has any interest whether direct or indirect, or who are or were at any time trustees of any pension fund or employees' share scheme or any other scheme or arrangements principally for the benefit of employees in which employees of the Company or of any such other company are interested, including (without prejudice to the generality of the foregoing) insurance

against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise of their powers or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company or pension fund, employees' share scheme or any other such scheme or arrangements.

NAMES ADDRESS AND DESCRIPTIONS OF SUBSCRIBERS

DATED this day of []

WITNESS to the above signature:-

NAME:

ADDRESS:

OCCUPATION: