

Company No. 3025097

THE COMPANIES ACT 1985

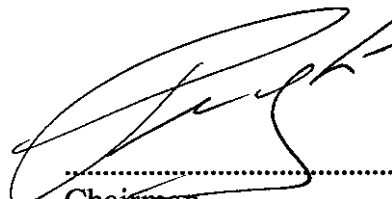
PRIVATE  
COMPANY LIMITED BY SHARES

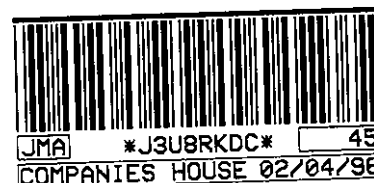
SPECIAL RESOLUTIONS  
OF  
SRC LIMITED

At an Extraordinary General Meeting of the above named Company duly convened and held at *STERLING TECHNOLOGY, MANCHESTER* on *24th JANUARY* 1996 the following resolutions were duly passed as Special Resolutions:

Special Resolutions

- 1 THAT the authorised share capital of the Company be and it is hereby increased from £1,000 to £100,000 by the creation of 12,000 new "B" Ordinary Shares of £1 and 87,000 new Ordinary Shares of £1 having the rights attaching thereto as are set out in the Articles of Association to be adopted pursuant to resolution 2;
- 2 THAT the Articles of Association, a copy of which is attached hereto and initialled by us for the purpose of identification be and they are hereby adopted as the new Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association.

  
.....  
Chairman



THE COMPANIES ACT 1985 AND 1989

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COMPANY LIMITED BY SHARES

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NEW  
ARTICLES OF ASSOCIATION

OF

SRC LIMITED

(Adopted by Special Resolution passed  
on *24 January* 1996)

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PRELIMINARY

- 1.1 In the interpretation of these Articles, the headings shall not affect the construction thereof and, unless the context otherwise requires the following words and expressions shall bear the following meanings:

"acting in concert" shall have the meaning set out in the City Code on Takeovers and Mergers;

"the Acts" means the Companies Act 1985 (including amendments made thereto by the Companies Act 1989), the Companies Act 1989, and in either case any statutory modification, amendment, variation or re-enactment thereof for the time being in force;

"Allocation Notice" shall have the meaning given in Article 8.6;

"Appropriate Offer" shall have the meaning given in Article 8.10.4;

"Table A" means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 (No. 1052);

"B" Shares" means the "B" Ordinary Shares of £1 each in the capital of the Company;

"Board" means the board of directors of the Company from time to time or any duly authorised committee thereof;

"Change of Control" means the transfer (within the meaning of Article 8.1) of shares in the Company as a result of which any person or persons connected with each other or persons acting in concert with each other would obtain Control (as defined in Article 8.10) over that number of shares in the Company which in aggregate confers 50 per cent or more of the voting rights normally exercisable at General Meetings of the Company PROVIDED THAT there shall be no change of control resulting from any transfer referred to in Article 8.10.2;

"connected" in the context of determining whether one person is connected with another shall be determined in accordance with the provisions of Section 839 of the Income and Corporation Taxes Act 1988;

"Directors" means the Directors for the time being of the Company;

"Group" means the Company and any company which is a subsidiary of the Company, a holding company (as defined in Section 736 of the Companies Act 1985) of the Company or a subsidiary of such holding company;

"Issue Price" means in respect of a share in the capital of the Company the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon;

"Majority Shareholder" means any member holding shares in the Company which in aggregate confer more than 50% of the voting rights normally exercisable at General Meeting;

"Member Applicant" shall have the meaning given in Article 8.6;

"Ordinary Shares" means the Ordinary Shares of £1 each in the capital of the Company;

"Sale Shares" shall have the meaning given in Article 8.5;

"Transfer Notice" shall have the meaning given in Article 8.4;

"Transfer Price" shall have the meaning given in Article 8.4; and

"Vendor" shall have the meaning given in Article 8.4.

- 1.2 Words and expressions defined in or having a meaning provided by the Acts (but excluding any statutory modification not in force on the date of adoption of these Articles) shall, unless the context otherwise requires, have the same meaning when used herein.

- 1.3 The regulations contained in Table A, save insofar as they are excluded or varied hereby, and the regulations hereinafter contained shall constitute the regulations of the Company.
- 1.4 The regulations of Table A numbered 24, 40, 73 to 77 (inclusive), 80, 96, 101 and 118 shall not apply to the Company.
- 1.5 The Chairman shall not have a second or casting vote whether at a meeting of the Board (or of any committee thereof) or a general meeting or any class meeting.

### GENERAL MEETINGS

- 2.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and for its duration. Two persons, being members present in person or by proxies for a member or members or duly authorised representatives of corporations shall be a quorum at any general meeting. If a meeting is adjourned under Regulation 41 of Table A because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall form a quorum, and Regulation 41 of Table A shall be modified accordingly.
- 2.2 A poll may be demanded by the Chairman or by any shareholder present in person or by proxy and having the right to vote at the meeting and Regulation 46 of Table A shall be modified accordingly.
- 3 With respect to any such resolution in writing as is referred to in Regulation 53 of Table A, in the case of a corporation which holds a share, the signature of any director or the secretary thereof shall be sufficient for the purposes of Regulation 53.

### SHARE CAPITAL

- 4.1 The authorised share capital of the Company at the date of the adoption of these Articles is £100,000 divided into:
  - 4.1.1 88,000 Ordinary Shares;
  - 4.1.2 12,000 "B" Shares.
- 4.2 The Ordinary Shares and the "B" Shares shall be deemed for all purposes to be shares of the same class save where these Articles expressly grant rights or impose obligations in relation to the Ordinary Shares or the "B" Shares (as the case may be).

## CAPITAL

5 In the event of a winding up of the Company or other return of capital the assets of the Company available for distribution to shareholders remaining after payment of all other debts and liabilities of the Company and of the costs charges and expenses of such winding up shall be distributed amongst the holders of the Ordinary Shares and the "B" Shares pari passu as if they were all shares of the same class.

## SUBSCRIPTION RIGHTS

6.1 Notwithstanding anything contained in these Articles and subject to any direction or authority contained in any resolution of the Company the Board is generally and unconditionally authorised for the purposes of Section 80 of the Companies Act 1985 to allot relevant securities PROVIDED THAT the authority hereby granted to the Board:

6.1.1 shall not permit the Board to allot relevant securities of an amount in excess of the unissued share capital of the Company immediately following the adoption of these Articles;

6.1.2 shall expire on the day preceding the fifth anniversary of the date of adoption of these Articles save that the Board may after the expiry of the said authority allot any relevant securities in pursuance of an offer or agreement made by the Company before the said authority expired.

6.2 All shares which the Company propose to allot whether for cash or otherwise shall first be offered for subscription to the holders of Ordinary Shares and "B" Shares (which for these purposes shall be treated as one class of share) in the proportion that the aggregate nominal value of such shares for the time being held respectively by each such holder bears to the total number of shares in issue and such offer shall be made by notice in writing specifying the number of shares to which the holder is entitled and limiting a time (being not less than four weeks) within which the offer if not accepted will be deemed to be declined. Shareholders who accept the offer shall be entitled to indicate that they would accept, on the same terms, shares (specifying a maximum number) that have not been accepted by other shareholders ("Excess Shares") and any Excess Shares shall be allotted to shareholders who have indicated they would accept Excess Shares. Excess Shares shall be allotted pro rata to the aggregate number of Ordinary Shares and "B" Shares held by shareholders accepting Excess Shares providing that no such shareholder shall be allotted more than the maximum number of Excess Shares such shareholder has indicated he is willing to accept. After the expiration of such time or upon receipt by the Company or an acceptance or refusal of every offer so made, the Board shall be entitled to dispose of any shares so offered and which are not required to be allotted in accordance with the foregoing provisions in such manner as the Board

may think most beneficial to the Company. If owing to the inequality in the number of new shares to be issued and the number of shares held by holders entitled to receive the offer of new shares any difficulty shall arise in the apportionment of any such new shares amongst the holders such difficulties shall in the absence of direction by the Company be determined by the Board. The provisions of Section 89(1), Section 90(1) to (6) (inclusive) of the Companies Act 1985 shall not apply to the Company. Any shares allotted to the holders of Ordinary Shares shall be classed as Ordinary Shares and any shares allotted to holders of "B" Shares shall be classed as "B" Shares.

#### LIEN

- 7 Regulation 8 of Table A shall apply.

#### TRANSFER OF SHARES

8 Subject as hereinafter provided, no transfer of any share in the capital of the Company shall be made or registered without the previous sanction of the Board which may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of any share whether or not it is a fully paid share PROVIDED ALWAYS THAT the Board shall only sanction (and in the following circumstances will sanction) any transfer made in accordance with the provisions of these Articles.

- 8.1 For the purpose of this Article the following shall be deemed (but without limitation) to be a transfer by a member of shares in the Company:

8.1.1 any direction (by way of renunciation or otherwise) by a member entitled to an allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself; and

8.1.2 any sale or any other disposition of any legal or equitable interest in a share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing.

- 8.2 Except as hereinafter provided no share in the Company or any beneficial interest therein shall be transferred unless and until the rights of pre-emption hereinafter conferred shall have been exhausted.

- 8.3 8.3.1 Any member being a body corporate shall be entitled to transfer all or any of its shares to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company (each such body corporate being hereinafter referred to as a "Group Company") but if a Group Company whilst it is a member shall cease to be a Group Company in relation to the

body first holding the relevant shares following their allotment or following a transfer made in accordance with this Article 8 (otherwise than pursuant to this Article 8.3.1) it shall within 21 days of so ceasing transfer the shares held by it to such body or any Group Company of such body and failing such transfer the member shall be deemed to have given a Transfer Notice pursuant to Article 8.4.

- 8.3.2 Subject as herein provided any member who is an individual may transfer or bequeath by will or otherwise dispose of on death all or any of his shares or any beneficial interest therein for whatever consideration to his or her spouse or children or step children or if such children or step children are minors to the trustee or trustees of a trust set up wholly for the benefit of his or her children or step children and of which the said member is the settlor PROVIDED THAT a member acquiring shares pursuant to this Article 8.3.2 shall not have the like right unless the transfer is to the person from whom he, she or they took the shares in the first instance or, in the case of a transfer by trustees, to persons beneficially entitled under such trusts or is a transfer to new trustees of the same trust on a change of trustees PROVIDED THAT no change in beneficial ownership is thereby effected.
- 8.3.3 Any shares may be transferred pursuant to the acceptance of an Appropriate Offer or otherwise pursuant to Article 8.10.5, Article 8.11 or Article 8.14 below.
- 8.3.4 Any member may transfer shares to any other person with the prior written consent of the holders of 75% of the Ordinary Shares and the holders of 75% of the "B" Shares.
- 8.4 8.4.1 Any member holding shares who wishes to transfer such shares (the "Vendor") otherwise than in accordance with Article 8.3 shall give notice in writing ("the Transfer Notice") to the Company of his wish specifying:
- 8.4.1.1 the number and class(es) of shares which he wishes to transfer;
  - 8.4.1.2 the name of any third party to whom he proposes to sell or transfer the shares;
  - 8.4.1.3 the price at which he wishes to transfer the shares which shall be deemed to be fair value as determined by the Valuer pursuant to Article 8.13 if no price is specified ("the Transfer Price"); and
  - 8.4.1.4 whether or not the Transfer Notice is conditional upon all and not part only of the shares so specified being

sold pursuant to the offer hereinafter mentioned and in the absence of such stipulation it shall be deemed not to be so conditional.

8.4.2 Where any Transfer Notice is deemed by any other provision of these Articles to have been given in accordance with this Article 8.4, the deemed Transfer Notice shall be treated as having specified:

8.4.2.1 that all the shares registered in the name of the Vendor shall be included for transfer;

8.4.2.2 that the price for the shares shall be agreed between the Board and the Vendor or failing agreement shall be fair value as determined by the Valuer pursuant to Article 8.13; and

8.4.2.3 that no condition as referred to in Article 8.4.1.4 shall apply unless the Retiring Member (as defined in Article 8.11) has been dismissed from his employment in circumstances where he is not in breach of his contract of employment in which event the Transfer Notice shall be conditional upon all of the shares registered in the name of the Retiring Member being sold.

8.4.3 No Transfer Notice once given or deemed to be given in accordance with this Article 8 shall be withdrawn unless the Vendor is obliged to procure any matter specified in Article 8.10 and is unable so to procure. In that event the Vendor shall be entitled to withdraw such Transfer Notice, without liability to any person, within the period specified in Article 8.9 in respect of the Sale Shares.

8.5 The Transfer Notice shall constitute the Company the agent of the Vendor for the sale of the shares specified therein ("the Sale Shares") at the Transfer Price.

8.6 8.6.1 The Company shall within 14 days of receipt of a Transfer Notice or, where later, upon the determination of the Transfer Price or, where later, but only in the case of a deemed transfer pursuant to Article 8.11, upon the reason for the director or employee becoming a Retiring Member having been agreed or finally determined, give notice in writing to each of the members of the Company (other than the Vendor) holding shares of the same class as the Sale Shares informing them that the Sale Shares are available and of the Transfer Price and shall invite each such member to state in writing within twenty-eight days from the date of the said notice (which



shall be specified therein) whether he is willing to purchase any and, if so, how many of the Sale Shares ("the Initial Offer") PROVIDED THAT in the event that the Vendor is the only holder of shares of the class of the Sale Shares the Initial Offer shall be made to all members of the Company other than the Vendor.

8.6.2 The Sale Shares shall be offered on terms that in the event of competition the Sale Shares offered shall be sold to the members accepting the offer in the proportion (as nearly as may be) that the aggregate nominal value of their existing holding of shares bears to the total nominal value of all shares other than the Vendor's shares then in issue ("the Proportionate Entitlement"). It shall be open to each such member to specify if he is willing to purchase shares in excess of his Proportionate Entitlement ("Excess Shares") and if the member does so specify he shall state the number of Excess Shares.

8.6.3 After the expiry of the offers to be made pursuant to Article 8.6.1 above or sooner if all the Sale Shares offered shall have been accepted in the manner provided in Article 8.6.1 above, the Board shall allocate the Sale Shares in the following manner:

8.6.3.1 if the total number of shares applied for is equal to or less than the available number of Sale Shares the Company shall allocate the number applied for in accordance with the application and any shares remaining unallocated shall be offered to all members of the Company other than the Vendor and any person to whom the Sale Shares have been offered under the foregoing provisions ("the Further Offer"). The provisions of this Article 8.6 shall apply to the Further Offer as they apply to the Initial Offer; or

8.6.3.2 if the total number of shares applied for is more than the available number of Sale Shares, each member shall be allocated his Proportionate Entitlement or such lesser number of Sale Shares for which he may have applied and applications for Excess Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each member applying for Excess Shares in the proportion which shares held by such member bears to the total number of shares held by all such members applying for Excess Shares PROVIDED THAT such member shall not be allocated more Excess Shares than he shall have stated himself willing to take;

and in either case the Company shall forthwith give notice of each such allocation ("an Allocation Notice") to the Vendor and each person to whom

Sale Shares have been allocated ("a Member Applicant") and shall specify in the Allocation Notice the place and time (being not later than fourteen days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed SAVE THAT the transfer and completion of the sale of the Sale Shares shall not be sanctioned or effected by the Board if such transfer obliges the Vendor to procure the making of an Appropriate Offer in accordance with Article 8.10 below, and no such Offer has been made and completed.

- 8.7 Subject to Article 8.8 below, upon such allocation being made as aforesaid, the Vendor shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicant named therein at the time and place therein specified. If he makes default in so doing the Chairman for the time being of the Company or failing him one of the Directors or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Vendor with full power to execute complete and deliver in the name and on behalf of the Vendor a transfer of the relevant Sale Shares to the Member Applicant and any Director may receive and give a good discharge for the purchase money on behalf of the Vendor and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Vendor until he shall deliver up his certificate or certificates for the relevant shares to the Company when he shall thereupon be paid the purchase money.
- 8.8 If the Vendor shall have included in the Transfer Notice a provision that unless all the Sale Shares are sold none shall be sold and if the total number of shares applied for by Member Applicants is less than the number of Sale Shares then the Allocation Notice shall refer to such provision and shall contain a further invitation open for 28 days to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the preceding paragraphs of this Article shall be conditional upon such provision as aforesaid being complied with in full.
- 8.9 In the event of all the Sale Shares not being sold under the preceding paragraph of this Article the Vendor may at any time within six calendar months after the pre-emption provisions herein contained have been exhausted transfer any Sale Shares not sold to any person or persons at any price not less than the Transfer Price PROVIDED THAT:
- 8.9.1 the Board shall be entitled to refuse registration of the proposed transferee if he is believed to be a nominee for a person reasonably considered by the Board to be a competitor or connected with a competitor of the business of the Company its holding Company and/or its subsidiaries PROVIDED THAT the Board shall not be

so entitled if the effect of such transfer would oblige the Vendor to procure the making of an Appropriate Offer in accordance with Article 8.10 below and such offer has been made and completed;

- 8.9.2 if the Vendor stipulated in the Transfer Notice that unless all the Sale Shares were sold none should be sold, the Vendor shall not be entitled, save with the written consent of all the other members of the Company, to sell hereunder only some of the Sale Shares comprised in the Transfer Notice to such person or persons;
  - 8.9.3 any such sale shall be a bona fide sale and the Board may require to be satisfied in such manner as it may reasonably require that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the Purchaser and if not so satisfied shall refuse to register the instrument of transfer; and
  - 8.9.4 the Board shall refuse registration of the proposed transferee if such transfer obliges the Vendor to procure the making of an Appropriate Offer in accordance with Article 8.10 below, until such time as such offer has been made and completed.
- 8.10 8.10.1 Subject to Article 8.10.2 if the effect of any transfer of shares by a Vendor ("the Transfer Shares") would, if completed, be to enable any person or persons connected with each other or persons acting in concert with each other to obtain Control over that number of shares in the Company which in aggregate confer 50 per cent or more of the voting rights normally exercisable at General Meetings of the Company ("the Control Shares") the Vendor shall procure the making by the proposed transferee of the Vendor's shares ("the Proposed Transferee") of an Appropriate Offer to all of the other members of the Company (other than any person or persons connected with each other or acting in concert with each other who shall as a consequence of the proposed transfer obtain or, where relevant, increase such Control). Every shareholder on receipt of an Appropriate Offer shall be bound within 28 days of the date of such offer (which date shall be specified therein) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Appropriate Offer has been made and completed the Board shall not sanction the making and registration of the relevant transfer.
- 8.10.2 The provisions of Article 8.10.1. shall not apply to any transfer of shares pursuant to Article 8.3.
  - 8.10.3 For the purposes of these Articles "Control" shall mean the right by virtue of holding shares in, or the possession of voting power in or in relation to, the Company or any other body corporate to exercise

or procure the exercise of the voting rights attached to the relevant shares.

8.10.4 "Appropriate Offer" shall mean an unconditional offer, open for acceptance for not less than 28 days, to purchase the Ordinary Shares and "B" Shares held by the recipients of an Appropriate Offer. The price to be paid for the Ordinary Shares and subject as provided hereinafter in this Article 8.10.4 the "B" Shares shall be the highest price per share (exclusive of stamp duty and stamp duty reserve tax) paid or to be paid by any person or persons referred to in Article 8.10.1 in respect of the shares giving rise to the obligation to make the Appropriate Offer plus such further amount equal to any other consideration (in cash or otherwise) received or receivable by the holders of such 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 such shares, multiplied by the number of Ordinary Shares and/or "B" Shares.

8.10.5 8.10.5.1 If the Appropriate Offer is accepted in writing by persons holding shares in the Company which in aggregate confer 50% or more of the voting rights normally exercisable at General Meetings of the Company then the Vendor shall have the right ("the Sale Right") to require all the other holders of shares who rejected or were deemed to reject such offer pursuant to Article 8.10.1 above ("the Called Shareholders") to transfer to the Proposed Transferee or as the Proposed Transferee directs all of the shares in the Company held by the Called Shareholders.

8.10.5.2 The Sale Right may be exercised by the Vendor giving notice to that effect ("the Sale Notice") to the Called Shareholders specifying that each Called Shareholder is required to transfer its shares pursuant to this Article 8.10.5 ("the Called Shares").

8.10.5.3 A Sale Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Vendor does not transfer the Transfer Shares to the Proposed Transferee or as the Proposed Transferee directs within 45 days from the date of the Sale Notice.

8.10.5.4 The Called Shareholders shall only be obliged to sell the Called Shares on terms that they shall be entitled to receive for their holdings of shares a sum ("the Sale Price") in cash or, if the consideration receivable by the

Vendor is in whole or in part in securities traded on a recognised exchange or in loan notes or loan stock in the same form as the consideration receivable by the Vendor equal to the price specified in Article 8.10.4.

8.10.5.5 Upon the exercise of the Sale Right in accordance with this Article 8.10.5 each of the Called Shareholders shall be bound to sell its Called Shares for the Sale Price and otherwise in accordance with this Article 8.10.5.

8.10.5.6 Completion of the sale of the Called Shares shall take place on the date specified for that purpose by the Vendor to the Called Shareholders save that:

- (a) the Vendor may not specify a date that is less than 14 days after the date of the Sale Notice; and
- (b) the date so specified by the Vendor shall be the same date as the date proposed for completion of the sale of the Transfer Shares

unless in the case of the sale by any particular Called Shareholder that Called Shareholder and the Vendor otherwise agree.

8.10.5.7 In the event that any Called Shareholder fails to carry out the sale of any of the Called Shares in accordance with this Article 8.10.5 the Chairman for the time being of the Company or failing him one of the Directors shall forthwith be deemed to be the duly appointed attorney of the relevant Called Shareholder with full power to execute complete and deliver in the name and on behalf of the relevant Called Shareholder a transfer of the relevant Called Shares to the Proposed Transferee (or as it may direct) and the Company may give a good receipt for the purchase price of such Called Shares and may register the Proposed Transferee or whomsoever it may direct as holder thereof and issue to it (or as it may direct) certificates for the same whereupon the Proposed Transferee shall be indefeasibly entitled thereto. The Called Shareholder shall in such case be bound to deliver up its certificate for the Called Shares to the Company whereupon the Called Shareholder shall be entitled to receive the Sale Price which shall in the meantime be held by the Company on trust for the Called Shareholder but without interest. If such certificate

shall comprise any shares which the Called Shareholder has not become bound to transfer as aforesaid the Company shall issue to the Called Shareholder a balance certificate for such shares.

- 8.11 Any member of the Company who is a director or employee of the Company or any of its subsidiaries (a "Retiring Member") or is a person or persons to whom shares formerly held by a Retiring Member have been transferred (whether or not by the Retiring Member) pursuant to Article 8.3.2 (other than Article 8.3.5) shall, upon the Retiring Member being declared bankrupt or ceasing for whatever reason to be a director or employee of the Company and/or of its subsidiaries and not forthwith becoming a director or employee of any of the Company and its subsidiaries be deemed to have given (immediately before the happening of such event) a Transfer Notice in accordance with Article 8.4 above in respect of all shares then held by such member.
- 8.12 8.12.1 If a Transfer Notice is deemed given for any reason whatsoever then the Transfer Price shall be fair value determined as at the date the deemed Transfer Notice is given in accordance with Article 8.13 below.
- 8.13 8.13.1 In the event that it is necessary to determine the price at which shares are to be transferred pursuant to these Articles (other than Article 8.14) such price shall be the amount such firm of accountants as may be appointed by agreement between the Vendor and the Company or in the default of agreement such firm as is appointed by the President of the Institute of Chartered Accountants of England and Wales shall on the application of the Board (which application shall be made as soon as practicable following the time it becomes apparent that a valuation pursuant to this Article 8.13 is required) certify in writing to be the price which in their opinion represents a fair value of the entire issued share capital of the Company as between a willing seller and a willing buyer on a going concern basis as at the date the Transfer Notice or Deemed Transfer Notice is given and attributing a value to each share equal to that proportion of the value determined as aforesaid for the entire issued share capital which the nominal value of the share(s) to be valued bears to the nominal value of the entire issued share capital.
- 8.13.2 In so certifying, the Valuers shall act as experts and not as arbitrators and their decision shall be final and binding on the parties.
- 8.13.3 The costs of the Valuers shall be borne by the Company.

- 8.14 8.14.1 If the Majority Shareholder (being a corporation) should be notified in writing by or on behalf of shareholders holding shares in the Majority Shareholder conferring in aggregate 50% or more of the voting rights normally exercisable at general meetings of the Majority Shareholder that those shareholders wish to accept an offer to transfer their shares to a proposed purchaser ("Proposed Purchaser") the Majority Shareholder shall have the right (the "Majority Sale Right") provided the said offer has not lapsed or been rejected to require holders of the "B" Shares to transfer to the Proposed Purchaser or as the Proposed Purchaser directs all the "B" Shares in the Company.
- 8.14.2 The Majority Sale Right may be exercised by the Majority Shareholder serving notice to that effect ("the Majority Sale Notice") on the "B" Shareholders, specifying that each "B" Shareholder is required to transfer its shares pursuant to this article 8.14.
- 8.14.3 A Majority Sale Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason a proposed sale of shares in the Majority Shareholder to the Proposed Purchaser does not take place within 45 days from the date of the Majority Sale Notice.
- 8.14.4 The "B" Shareholders shall only be obliged to sell the "B" Shares on terms that they shall be entitled to receive for their holdings of "B" Shares, a sum equal to the price specified in article 8.14.8 in cash or, if the consideration receivable by the Vendor is in whole or in part in securities traded on a recognised exchange or in loan notes or loan stock, in the same form as the consideration receivable by the Vendor equal to the price specified in Article 8.14.8.
- 8.14.5 Upon the exercise of the Majority Sale Right in accordance with this article 8.14, each of the "B" Shareholders shall be bound to sell its "B" Shares for the price aforesaid and otherwise in accordance with this article 8.14.
- 8.14.6 Completion of the sale of the "B" Shares shall take place on the date specified for that purpose by the Majority Shareholder to the "B" Shareholders save that:
- 8.14.6.1 the Majority Shareholder may not specify a date that is less than 14 days after the date of the Majority Sale Notice; and
- 8.14.6.2 the date so specified by the Majority Shareholder shall be the same date as the date proposed for the

completion of the sale of the shares in the Majority Shareholder;

unless in the case of the sale by any particular "B" Shareholder, that "B" Shareholder and the Majority Shareholder otherwise agree.

- 8.14.7 In the event that any "B" Shareholder fails to carry out the sale of any of the "B" Shares in accordance with this article 8.14, the Chairman for the time being of the Company or failing him one of the Directors shall forthwith be deemed to be the duly appointed attorney of the relevant "B" Shareholder with full power to execute complete and deliver in the name and on behalf of the relevant "B" Shareholder a transfer of the relevant "B" Shares to the proposed Purchaser (or as it may direct) and the Company may give a good receipt for the purchase price of such "B" Shares and may register the Proposed Purchaser or whomsoever it may direct as holder thereof and issue to it (or as it may direct) certificates for the same whereupon the Proposed Purchaser shall be indefeasibly entitled thereto. The "B" Shareholder shall in such case be bound to deliver up its certificate for the "B" Shares to the Company whereupon the "B" Shareholder shall be entitled to receive the price payable therefor which shall in the meantime be held by the Company on trust for the "B" Shareholder but without interest. If such certificate shall comprise any shares which the "B" Shareholder has not become bound to transfer as aforesaid, the Company shall issue to the "B" Shareholder a balance certificate for such shares.
- 8.14.8 The price at which the "B" Shares are to be transferred pursuant to an exercise of the Majority Sale Right in accordance with these articles shall in the absence of agreement between the Majority Shareholder and the "B" Shareholder be the amount such firm of Accountants as may be appointed by agreement between the "B" Shareholders and the Majority Shareholder, or in default of agreement, such firm as is appointed by the President of the Institute of Chartered Accountants of England and Wales on the application of the Board (which application shall be made as soon as practicable, following the time it becomes apparent that a valuation pursuant to this article 8.14 is required) certify in writing to be the price, which in their opinion represents the proportion of the purchase price payable by the Proposed Purchaser which is fairly attributable to the "B" Shares as at the date the Majority Sale Notice is given and attributing an equal value of the proportion so ascertained to each "B" Share.
- 8.14.9 In so certifying the Valuer shall act as expert and not as arbitrator and their decision shall be final and binding on the parties.
- 8.14.10 The cost of the Valuer shall be borne by the Company.



- 8.15 For the purpose of ensuring that a transfer of shares is duly authorised hereunder or that no circumstances have arisen whereby a Transfer Notice is required to be or ought to have been given hereunder or an Appropriate Offer is required to be or ought to have been made or the Majority Sale Right has arisen the Board may, from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in any transfer lodged for registration or such other person as the Board or any such holder may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may think fit regarding any matter which they deemed relevant to such purpose including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares from time to time registered in the member's name.

### VOTING RIGHTS

- 9.1 Regulation 54 of Table A shall be modified in accordance with the following provisions of this Article.
- 9.2 A proxy shall be entitled to vote on a show of hands.
- 9.3 Every member shall have one vote for every Ordinary Share and "B" Share of which he is the holder and which is fully paid up or credited as fully paid.

### DIRECTORS

- 10 The Directors shall not be liable to retire by rotation and accordingly the second and third sentences of Regulation 79 of Table A shall not apply to the Company and in Regulation 78 of Table A the words "Subject as aforesaid" and "and may also determine the rotation in which any additional directors are to retire" shall be deleted.
- 11.1 The office of any Director shall be vacated if the holders of such numbers of shares for the time being carrying the right to more than 50% of the votes which may be cast in General Meeting serve written notice of his removal upon the Company and the provision of Regulation 81 of Table A shall be extended accordingly.
- 11.2 No person shall be disqualified from being appointed a director of the Company and no director of the Company shall be required to vacate that office by reason only of the fact that he has attained the age of 70 years or any other age, nor need the age of any such person or director nor the fact that any such person or director is over 70 or any other age be stated in any notice or resolution relating to his appointment or re-appointment nor shall it be necessary to give special notice under the Acts of any resolution appointing, re-appointing or approving the appointment of a director by reason only of his age.

- 11.3 The holders of such numbers of shares for the time being carrying the right to more than 50 per cent of the votes normally exercisable at General Meetings of the Company shall be entitled by notice in writing to the Company to appoint a Chairman of the Board and/or one or more additional directors and to remove any such additional directors by notice in writing to that effect to the Company. A notice of appointment or removal of a director pursuant to this Article shall take effect upon lodging it as the office or upon delivery to a meeting of the directors or on delivery to the secretary.

#### ALTERNATE DIRECTORS

- 12.1 The appointment by any director of an alternate Director shall not be subject to approval by a resolution of the Board and Regulation 65 of Table A shall be modified accordingly. In Regulation 67 of Table A the words "but, if" and the following words to the end of the Regulation shall be deleted.
- 12.2 An alternate Director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, and the first sentence of Regulation 66 in Table A shall be modified accordingly.
- 13 A Director, or any such other person as is mentioned in Regulation 65 of Table A, may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Board or of any committee of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

#### PROCEEDINGS OF DIRECTORS

- 14 Any Director or member of a committee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other and any Director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting.
- 15 Subject to the provisions of the Acts, a Director may be interested directly or indirectly in any contract or arrangement or in any proposed contract or arrangement with the Company or with any other company in which the Company may be interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any subsidiary thereof) under the Company or any such other company and he or any firm of which he is a member may act in a professional capacity for the Company or any

such other company and be remunerated therefor. Notwithstanding his interest a Director may vote on any matter in which he is interested and be included for the purpose of a quorum at any meeting at which the same is considered and he may retain for his own benefit of all profits and advantages accruing to him. Regulation 94 shall be modified accordingly.

#### THE SEAL

- 16.1 If the Company has a seal it shall only be used with the authority of the Board or of a committee of the Board. The Board may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the secretary or a second Director. The obligations under Regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal.
- 16.2 The Company may exercise the powers conferred by Section 39 of the Companies Act 1985 with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

#### BORROWING POWERS

- 17.1 Subject as hereinafter provided the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the Acts to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

#### INDEMNITY

18 Subject to the provisions of the Acts, every Director or other officer of the Company shall be indemnified out of assets of the Company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company. No Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the proper execution of the duties of his office or in relation thereto. But this Article shall only have effect insofar as its provisions are not avoided by Section 310 of the Companies Act 1985. The Board shall have power to purchase and maintain for any Director or other officer of the Company and the Auditors insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.