

ASHMORE GROUP LIMITED

(Registered in England No. 3675683)

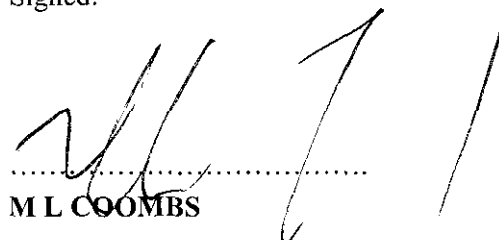
MEMBERS' WRITTEN RESOLUTIONS

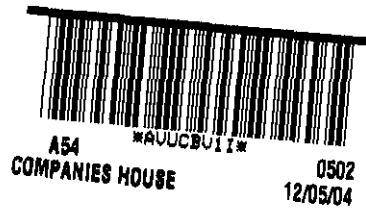
We, the undersigned, being all the members of the Company for the time being entitled to attend and vote at general meetings of the Company and all the parties to the shareholders agreement regarding the Company dated 24 February 1999, as amended from time to time since that date (the "Shareholders Agreement") **HEREBY:**

1. **APPROVE** the terms of the proposed contract between the Company and Oliver Truesdell Kane ("**Mr Kane**") a copy of which has been supplied to each of us at or before the time at which this resolution was supplied to us for signature, for the purchase by the Company from Mr Kane of 16,080 "C" shares of 1p each in the capital of the Company;
2. **WAIVE** all rights of pre-emption now or at any time conferred on us by the Articles of Association of the Company or otherwise in respect of the transfer of the said shares pursuant to the said contract;
3. **ELECT** in accordance with section 379A of the Companies Act 1985 (the "Act") that the provisions of section 80A of the Act shall apply instead of the provisions of section 80(4) and (5) in relation to the giving or renewal of any authority under section 80 of the Act;
4. **RESOLVE** that the articles of association attached to these resolutions be adopted as the articles of association of the Company in substitution for and to the exclusion of all existing articles of association of the Company; and
5. **AUTHORISE** and request the directors of the Company to do all such things as they may consider necessary or desirable in order to carry the said resolutions into effect.

Dated: 30 April 2004

Signed:

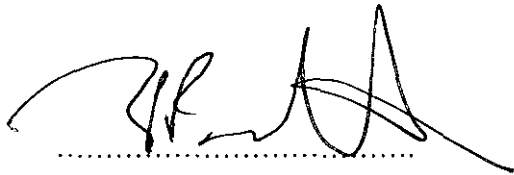

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M L COOMBS



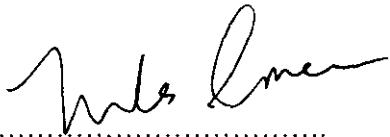
Suzan Wadman duly authorised attorney on
behalf of *JP Moulton*.

J P MOULTON

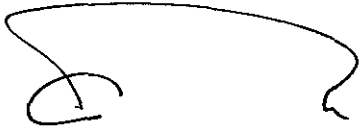
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CAREY OLSEN TRUST COMPANY (GUERNSEY) LIMITED



J P BOOTH

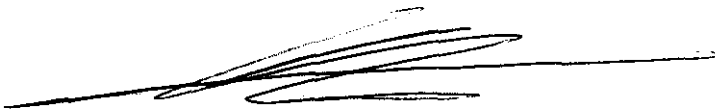


J C R GREEN




O T KANE

*(duly authorised attorney on
behalf of O T Kane).*



M MARKOVIC



C O P RAEDER

.....
J P MOULTON


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O. P. R. E. T. E. R.


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O. P. R. E. T. E. R.

CAREY OLSEN TRUST COMPANY (GUERNSEY) LIMITED

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J P BOOTH

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Company No. 3675683

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION
OF
ASHMORE GROUP LIMITED

(Adopted by Written Resolution passed on ^{30th April} h 2004)

ADJ
COMPANIES HOUSE

12/05/04

NICHOLSON GRAHAM & JONES
110 CANNON STREET LONDON EC4N 6AR
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Company No. 3675683

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION

OF

ASHMORE GROUP LIMITED

(Adopted by Written Resolution passed on 30th April 2004)
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1. PRELIMINARY

1.1 In these Articles:

"**Acceptance Period**" means the period for acceptance of any offer under Article 4.3(b) and, if applicable, any further offer under Article 4.3(c).

"**"A" Shares**" means "A" Shares of 1p each in the capital of the Company.

"**"A" Shareholder(s)**" means the holder or holders for the time being of the issued "A" Shares.

"**Associate**" has the meaning given to it by section 435 of the Insolvency Act 1986.

"**Associated Company**" means, in relation to any Shareholder which is a body corporate, any parent undertaking or subsidiary undertaking from time to time of that Shareholder and any subsidiary undertaking of any such parent undertaking from time to time provided that neither the Company nor any of the Company's subsidiary undertakings shall be considered an Associated Company of any Shareholder.

"**Bad Leaver**" means an Employee to whom Article 4.5 applies who ceases to be an Employee other than in circumstances which constitute him a Good Leaver.

"**Board**" means the board of Directors of the Company from time to time.

"**"B" Shares**" means "B" Shares of 1p each in the capital of the Company.

"B" Shareholder(s) means the holder or holders for the time being of the issued "B" Shares.

"C" Shares means "C" Shares of 1p each in the capital of the Company.

"C" Shareholder(s) means the holder or holders for the time being of the issued "C" Shares.

"Chief Executive" means the chief executive of the Company from time to time or, if the Company has no chief executive at any time, any Director nominated for this purpose by the holder or holders of a majority of the "A" Shares for the time being in issue.

"deemed Transfer Notice" means a Transfer Notice deemed to be given under Article 4.2(d) or Article 4.5.

"Director" means any director for the time being of the Company including, where applicable, any alternate director.

"EBT" means any employee benefit trust established by the Company or the trustee or trustees of such trust.

"Employee" means an employee of the Company or of any of its subsidiary undertakings.

"Employees' share scheme" has the meaning given to it by section 743 of the Act.

"Family Trust" means as regards any particular individual member or deceased or former individual member, 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.

"Good Leaver" means an Employee to whom Article 4.5 applies who ceases to be an Employee in one of the following circumstances:

- (a) on retirement at the normal retirement age specified in his contract of employment; or
- (b) on death; or
- (c) as a result of some permanent physical or mental incapacity; or
- (d) on termination of his employment by the Company on the grounds of redundancy; or
- (e) on termination of his employment after the second anniversary of the date on which he became a member of the Company in any circumstances other than circumstances involving a breach of his contract of employment which would entitle the company to lawfully terminate his contract of employment without notice or payment in lieu of notice in accordance with its terms; or
- (f) in any other circumstances where the Board in its discretion decides (which decision shall be made as soon as is reasonably practicable following the cessation of the employment of such Employee) that such Employee is a Good Leaver: the Board shall act fairly and reasonably in exercising its discretion, and its decision shall not form a precedent for the making of such decisions in the future;

"Nominated Director" means an "A" Director or a "B" Director appointed by the "A" Shareholder or the "B" Shareholder (as the case may be) in accordance with the provisions of these Articles.

"Permitted Transfer" means a transfer of Shares falling within Article 4.2.

"Permitted Transferee" means a person who acquires Shares pursuant to a Permitted Transfer;

"Privileged Relation" means in relation to an individual member or deceased or former individual member, the husband or wife or the widower or widow of such member and all the lineal descendants of such member and a husband or wife or widower or widow of any of the above persons and for the purposes aforesaid a step-child or adopted child or illegitimate child of any person shall be deemed to be his or her *lineal descendant*.

"Shareholder" means any person who holds a Share or Shares from time to time.

"Shares" means shares in the capital of the Company from time to time.

"Table A" means Table A in the Companies (Tables A to F) Regulations 1985 as amended at the date of adoption of these Articles. References to Regulations are to regulations in Table A.

1.2 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meanings as in Table A.

1.3 The Regulations contained in Table A shall apply to the Company except to the extent that they are excluded or varied by these Articles.

1.4 In Regulation 1, the words "and in articles adopting in whole or in part these regulations" shall be inserted after the word "regulations" in the first and last sentences.

2. **SHARE CAPITAL**

2.1 The authorised share capital of the Company at the date of adoption of these Articles is £3,600 divided into 166,500 "A" Shares, 21,000 "B" Shares and 172,500 "C" Shares. Except as expressly mentioned in these Articles, the "A" Shares, "B" Shares and "C" Shares shall rank pari passu in all respects.

2.2 Whenever the share capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holder or holders of 75% in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class, but not otherwise. To every such separate meeting all provisions applicable to general meetings of the Company or to the proceedings thereat shall mutatis mutandis apply except that the necessary quorum at any such meeting shall be a person or persons holding or representing by proxy at least one-third in nominal value of the issued shares of that class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present the member or members present in person or by proxy shall be a quorum), and that any holder of shares of that class present in person or by proxy may demand a poll and such holders shall, on a poll, have one vote in respect of every share of that class held by them respectively.

2.3 The special rights conferred upon the holders of any shares or class of shares with preferred or special rights shall not (unless otherwise expressly provided by the conditions of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking pari passu therewith or subsequent thereto.

2.4 In Regulation 2 of Table A the words "ordinary resolution" shall be replaced by the words "special resolution".

2.5 In addition to the lien conferred by Regulation 8 of Table A the Company shall have a first and paramount lien on every share in the Company, whether fully paid or not, standing registered in the name of any person (whether he shall be the sole registered holder thereof or he shall be one of two or more joint holders thereof) for all moneys presently payable by that person to the Company.

3. ALLOTMENT OF SHARES

3.1 Except with the consent in writing of the holders of a majority in nominal value of the issued Shares of each class, no Shares shall be allotted and no rights to subscribe for or otherwise acquire Shares shall be granted on any terms without such Shares (which, for the purposes of this Article 3.1 and Article 3.3, shall include any securities convertible into Shares or other rights to acquire Shares) first being offered on the same terms to all Shareholders in proportion as nearly as may be to the number of Shares held by them respectively. Such offer shall be made by written notice specifying the number of Shares offered, the proportionate entitlement of the relevant member, the price per share and a period (the "**Initial Offer Period**"), not being less than 14 days nor more than 28 days, within which the offer, if not accepted in writing by notice to the Company, will be deemed to be declined. After the expiration of the Initial Offer Period the Shares declined or deemed to be declined (if any) shall be offered to the persons who have, within the Initial Offer Period, accepted all the Shares offered to them in the same manner as the original offer and limited by a period of not less than seven days but not more than 14 days. At the expiration of the time limited by the notice(s) the Board shall allot the Shares so offered to or amongst the members who have notified their willingness to take all or any of such Shares in accordance with the terms of the offer(s). No member shall be obliged to take more than the maximum number of Shares he has indicated his willingness to take.

3.2 Article 3.1 shall not apply to the allotment of or grant of options over "C" Shares (whether pursuant to any Employees' share scheme established by the Company or otherwise) to any employee or director, or prospective employee or director, of the Company or any of its subsidiaries (other than an "A" Director or a "B" Director or a person holding "A" Shares or "B" Shares) or to the allotment of Shares in pursuance of any such options, whether granted before or after the date of adoption of these Articles.

3.3 Any Shares not accepted pursuant to Article 3.1 or not capable of being so offered except by way of fractions may be allotted by the Board to such persons as the Board may think fit provided that the terms of such allotment are no more favourable to the proposed allottees than the terms on which such Shares were offered to the existing Shareholders under Article 3.1.

3.4 The Directors are generally and unconditionally authorised for the purposes of and in accordance with sections 80 and 80A of the Act to allot relevant securities (as defined

in section 80(2) of the Act) up to a maximum nominal amount equal to the unissued share capital of the Company at the date of adoption of these Articles. This authority is given for an indefinite period but may be revoked or varied by the Company in general meeting.

3.5 Section 89(1) and sub-sections (1) to (6) of Section 90 of the Act shall not apply to the Company.

3.6 Any Shares allotted (including any Shares allotted in pursuance of Regulation 110) to a person who is already a holder of "A", "B" or "C" Shares be designated as "A" Shares, "B" Shares or "C" Shares (as the case may be) and shall accordingly be subject to such of the provisions of these Articles as are applicable to "A" Shares, "B" Shares or "C" Shares (as the case may be) and where a Shareholder holds a combination of "A", "B" or "C" Shares, the designation of such Shares shall be in proportion to the class of Share held.

4. **TRANSFER OF SHARES**

4.1 **Restrictions on Transfer**

No member shall transfer or dispose of any Share, or any right to or interest in any Share, except by way of a transfer complying with the provisions of this Article 4. Any direction (whether by renunciation, nomination or otherwise) by a member entitled to any Shares or to an allotment of Shares that such Shares be allotted or transferred to any other person shall be deemed to be a transfer.

4.2 **Permitted Transfers**

(a) Subject to Article 4.4, any Shareholder may, with the prior written consent of the holders of not less than 75% in nominal value of all Shares in issue taken together as one class, transfer (subject to compliance with Regulation 24) all or any Shares held by him to any person at any price.

(b) Any Shares (other than any Shares in respect of which the holder thereof shall have given or be deemed to have given a Transfer Notice) may at any time be transferred:-

(i) by an individual Shareholder (not being in relation to the relevant Shares a holder thereof as a trustee of Family Trusts) to a Privileged Relation of such Shareholder; or

- (ii) by any such individual Shareholder to trustees to be held upon Family Trusts related to such individual Shareholder ("**Relevant Individual**"); or
 - (iii) pursuant to a Majority Transfer made in accordance with Article 4.4 or any transfer made on acceptance of any such offer as is referred to in Article 4.4.
- (c) Where Shares have been transferred to trustees of Family Trusts, the trustees may transfer all or any of the Shares held by them:
 - (i) to the trustees for the time being of the Family Trust concerned on any change of trustee;
 - (ii) to the trustees for the time being of any other trusts being Family Trusts in relation to the Relevant Individual 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 Individual or any Privileged Relation of the Relevant Individual.
- (d) Any Shareholder (for the purposes of this Article 4.2(d) "**Original Shareholder**") which is a body corporate may at any time transfer all (but not some only) of the Shares held by it to any of its Associated Companies and any such Associated Company may at any time transfer all (but not some only) of the Shares held by it to the Original Shareholder or any other Associated Company of the Original Shareholder provided that if any such Associated Company ceases to be an Associated Company of the Original Shareholder then such Associated Company shall forthwith transfer all Shares held by it to the Original Shareholder or to any Associated Company of the Original Shareholder and if such transfer is not completed within 14 days of the Associated Company ceasing to be an Associated Company of the Original Shareholder, a Transfer Notice pursuant to Article 4.3 shall be deemed to have been served by the former Associated Company in respect of all the Shares held by that former Associated Company. In such case, the Sale Price for those Shares shall be the Fair Value thereof, as determined in accordance with Article 4.6.

4.3 Transfer Restrictions

- (a) Any Shareholder ("**Proposing Transferor**") wishing to transfer any Shares except by way of a Permitted Transfer shall first give a notice in writing

("Transfer Notice") to the Company to that effect specifying the number and class of Shares held by the Proposing Transferor which he wishes to sell ("Sale Shares"). The Transfer Notice shall constitute the appointment of the Company (acting through the Chief Executive) as agent for the Proposing Transferor for the sale of the Sale Shares at the Sale Price. For this purpose, the "Sale Price" shall be, except in the case of a deemed Transfer Notice, such price as may be agreed between the Company (acting by the Chief Executive) and the Proposing Transferor or, in the absence of such agreement within 28 days of the date of the Transfer Notice (or such longer period as the Chief Executive and the Proposing Transferor may agree), a price equal to the Fair Value of the Sale Shares determined in accordance with Article 4.6. A deemed Transfer Notice once given shall be irrevocable, but any other Transfer Notice may be withdrawn at any time prior to the expiry of the period of 7 days from the date of agreement or determination of the Sale Price in accordance with this Article 4.3 and, if applicable, Article 4.6. Except in the case of a deemed Transfer Notice, the Proposing Transferor may state in the Transfer Notice that he requires to sell all and not some only of the Sale Shares (a "Total Transfer Condition") in which case any offer under paragraph (b) or (c) below shall be conditional upon such condition being satisfied and no acceptance of an offer of Sale Shares will become effective unless such condition is satisfied.

- (b) The Sale Shares shall, not less than 8 nor more than 14 days after the Sale Price is agreed or determined, and subject to the Transfer Notice not having been validly revoked, be offered to the Company and/or (at the discretion of the Chief Executive) to any EBT for purchase at the Sale Price. Such offer (the "Initial Offer") shall be made by notice in writing and shall specify a time (not being less than 14 days nor more than 42 days) within which the offer must be accepted or, in default, will be deemed to have been declined. A copy of such offer shall at the same time be sent to the Proposing Transferor.
- (c) If the Company and/or (where applicable) the EBT do not accept the Initial Offer in respect of all of the Sale Shares, any remaining Sale Shares shall be offered to the Shareholders (other than the Proposing Transferor) in the following order of priority:
 - (i) first to the "A" Shareholders; and
 - (ii) secondly, to the "B" Shareholders and the "C" Shareholders

on the basis that, if there is any competition between the holders of Shares of any class or classes for any Sale Shares, such Sale Shares shall be divided amongst them in proportion to the number of shares of the relevant class or classes held by them respectively (but so that no Shareholder shall be required

to take any more Shares than he has applied for). Such offer shall be in writing and shall specify a time (not being less than 7 days nor more than 14 days) within which it must be accepted or, in default, will be deemed to have been declined. A copy of such offer shall at the same time be sent to the Proposing Transferor.

- (d) If the Company shall, pursuant to the preceding provisions of this Article 4.3, find persons wishing to purchase some or (in a case where a Total Transfer Condition was validly imposed) all the Sale Shares (hereinafter called "**Purchasers**") the Company (acting by the Chief Executive) shall, not later than 7 days after expiry of the Acceptance Period, give notice in writing thereof to the Proposing Transferor and he shall be bound, upon payment of the Sale Price, to transfer such Shares to the respective Purchasers. Every such notice shall state the name and address of the Purchaser or Purchasers and the number of Sale Shares agreed to be purchased by him or them and the purchase shall be completed at a place and time to be appointed by the Company (acting by the Chief Executive) not being less than 3 days nor more than 10 days after the date of such notice. On completion of such purchase, the Proposing Transferor shall deliver to the Purchasers duly executed transfers of those of the Sale Shares purchased by them respectively, together with the relative share certificates, and the Purchasers shall pay the Sale Price for such Shares by transfer of immediately available funds to such account as may be nominated by the Proposing Transferor.
- (e) If a Proposing Transferor, after having become bound to transfer any Shares to a Purchaser, shall fail to do so, the Company (acting by the Chief Executive) may authorise any person to execute on behalf of and as agent and attorney for the Proposing Transferor any necessary instruments of transfer and shall register the Purchaser as the holder of the relevant Shares. The Company's receipt for the purchase money shall be a good discharge to the Purchaser, and the Company shall thereafter hold the same on trust for the Proposing Transferor. After the name of the Purchaser has been entered in the register in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.
- (f) If the Company shall fail within the Acceptance Period to find a Purchaser or Purchasers for any or, in a case where a Total Transfer Condition was validly imposed, all of the Sale Shares, the Proposing Transferor may at any time during the period of 3 months following the expiry of the Acceptance Period transfer any of the unsold Sale Shares to any person provided that:

- (i) such Sale Shares must be transferred in pursuance of a bona fide sale at a price not less than the Sale Price without any deduction, rebate or allowance whatsoever to the purchaser; and
 - (ii) in a case where a Total Transfer Condition was validly imposed, such transfer must comprise all (and not some only) of the Sale Shares.
- (g) Any Sale Shares transferred under this Article 4.3 shall be transferred with full title guarantee, free from all liens, charges and encumbrances and together with all rights attaching to them at the date of the Transfer Notice.

4.4 Acquisition of Majority Interest

- (a) If a proposed transfer or transfers of Shares (other than a transfer by a person already having a Controlling Interest to an Associate of that person) (the "**Majority Transfer**") by any Shareholder(s) (the "**proposed transferor**") to any person (the "**proposed transferee**") would result in the proposed transferee and persons acting in concert with him (as such term is defined by the City Code on Takeovers and Mergers) acquiring a Controlling Interest then, before the making of any such transfer or transfers, the proposed transferee must have made an offer in writing to all of the other Shareholders ("**Offerees**") in accordance with this Article 4.4 to acquire all the other Shares in issue at that time. For this purpose a "**Controlling Interest**" means ownership of Shares carrying the right to cast more than 50% of the votes capable of being cast at general meetings of the Company (disregarding votes attaching to Shares which are capable of being cast only in limited circumstances).
- (b) The offer referred to in Article 4.4(a) above must:
- (i) be in writing, identifying the proposed transferee and any persons acting in concert with it;
 - (ii) be open for acceptance in the United Kingdom for a period of at least 28 days following the making of the offer;
 - (iii) be in cash (being in the case of each Offeree not less than their pro rata share of any cash consideration under the offer) or realisable securities of the same class, and representing the same proportion of the consideration payable under the offer, as any securities being offered to the proposed transferor, having an aggregate value per Share not less than the value per Share of the consideration payable to the proposed transferor: in the case of any dispute as to the value per Share

of any consideration payable to the proposed transferor otherwise than in cash or realisable securities, the matter shall be referred to an Expert appointed on the same basis and in the same manner as set out in Article 4.6 except that in such case the costs of the Expert shall be borne by the Company;

- (iv) except as set out in paragraph (iii) above, be on no worse terms than those offered to the proposed transferor; and
 - (v) be on terms that any acceptance by an Offeree is conditional upon the proposed transferee and those acting in concert with him as aforesaid acquiring a Controlling Interest.
- (c) For the purposes of Article 4.4(b), "**realisable securities**" means either debt securities with a maturity date not more than 2 years after the date of issue of such securities pursuant to the offer or equity securities which are listed or quoted on a recognised investment exchange, recognised overseas investment exchange, designated investment exchange or regulated market (each as defined in the Financial Services and Markets Act 2000) in the United Kingdom, the USA, the European Union or Switzerland and which will not be subject to any transfer restriction (other than such restrictions imposed by law or normally imposed by the articles of association of public companies in the United Kingdom) which continues for more than 2 years after the date of issue of such securities pursuant to the offer.
- (d) Where an offer is made and becomes unconditional in compliance with Article 4.4(b) ("**Qualifying Offer**"), those Shareholders who have accepted the offer, including the proposed transferor, ("**Accepting Shareholders**") may give written notice to the other Shareholders (the "**Non-Accepting Shareholders**") requiring them to accept the Qualifying Offer and the Non-Accepting Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the proposed transferee (or his nominee).
- (e) Any Shares transferred pursuant to a Qualifying Offer shall be sold with full title guarantee, free from all liens, charges and encumbrances and together with all rights attaching thereto at the date of the Qualifying Offer.
- (f) If any Non-Accepting Shareholder shall not, within five Business Days of being required to do so in accordance with paragraph (d) above, execute and deliver to the proposed transferee transfers in respect of all the Shares held by him together with the certificate(s) (if any) in respect of the same (or a suitable indemnity in lieu thereof), then as security for the performance of his obligations under this Article 4.5(f), each Non-Accepting Shareholder hereby

irrevocably appoints the Company (acting by the Chief Executive) as his agent and attorney to execute, complete and deliver in the name of and on behalf of the Non-Accepting Shareholder the necessary transfer(s) and indemnities against receipt by the Company (on trust for such Non-Accepting Shareholder) of the consideration payable for his Shares and the Company may, subject to such transfer(s) being duly stamped, register the proposed transferee (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.

4.5 Good Leaver/Bad Leaver Provisions

- (a) In the event that any "C" Shareholder, or any person who has transferred any "C" Shares pursuant to a Permitted Transfer, ceases for any reason to be an Employee, or any person who ceases to be an Employee acquires Shares afforded to him as a consequence of his formerly being an Employee, such individual and his Permitted Transferees (whether immediate or derivative) shall be deemed to have given, on the date of cessation of his employment or, if later, on the date on which he acquires the Shares in question, a Transfer Notice in respect of all the "C" Shares then registered in his name and/or in the name of such Permitted Transferees (if any). In such circumstances the Sale Price per Sale Share shall:
- (i) in the case of a Good Leaver be the price agreed between the Proposing Transferor and the Company (acting through the Chief Executive) or, in the absence of such agreement within 28 days of the date of the deemed Transfer Notice (or such longer period as the Proposing Transferor and the Company, acting through the Chief Executive, may agree), the Fair Value of such Shares, determined in accordance with Article 4.6; or
- (ii) in the case of a Bad Leaver be the lesser of:-
- (A) the amount per Share paid by the Proposing Transferor to acquire the Sale Shares; and
- (B) the price agreed between the Proposing Transferor and the Company (acting through the Chief Executive) or, in the absence of such agreement within 28 days of the date of the deemed Transfer Notice (or such longer period as the Proposing Transferor and the Company, acting through the Chief Executive, may agree), the Fair Value of such Shares, determined in accordance with Article 4.6.

- (b) The restrictions imposed by this Article 4.5 may be waived in relation to any proposed transfer of Shares with the consent of all persons who, but for such waiver, would or might have been entitled to have such shares offered to them in accordance with Article 4.3.

4.6 **Determination of Fair Value**

Where the Fair Value of any Shares is to be determined in accordance with Articles 4.2(d), 4.3(a) or 4.5(a) such determination shall be made by an independent firm of chartered accountants (the "**Expert**") agreed between the Company (acting through the Chief Executive) and the Proposing Transferor or, in the absence of agreement, appointed on the application of either party by the President for the time being of the Institute of Chartered Accountants in England and Wales. The Expert shall act as an expert and not as an arbitrator and he shall be required to certify his opinion of the fair value as at the date of the Transfer Notice of the Sale Shares calculated on the basis of a sale of only the Sale Shares between a willing seller and a willing purchaser (and for the avoidance of doubt not based solely on the earnings of the Company at the date of such valuation). The Company and the Shareholders shall render all such assistance and provide all such documentation and other information within their control to the Expert as the Expert may reasonably consider necessary, shall be able to make representations to such Expert and shall use their respective reasonable endeavours to procure that the Expert shall issue his certificate ("**Valuation Certificate**") as soon as reasonably practicable. Notwithstanding the foregoing provisions if a Valuation Certificate shall have been issued pursuant to this Article 4.6 stating a Fair Value of Shares at a date within the three months preceding the date of the Transfer Notice, (and no event or matter shall have occurred in the intervening period which could reasonably be considered to be likely to have a material effect on the value of any of the Company's Shares) such earlier Valuation Certificate shall apply and no further reference to an Expert under this Article 4.6 shall be required to determine the Fair Value of the Sale Shares. The costs of the Expert in connection with the Valuation Certificate shall be borne by the Proposing Transferor and, once issued, the Valuation Certificate shall be final and binding on all the Shareholders.

5. **GENERAL MEETINGS**

- 5.1 In Regulation 37 the words "within the United Kingdom" shall be deleted.
- 5.2 No business shall be transacted at any general meeting unless a quorum of members is present. A quorum shall, subject to Article 5.3, consist of a member or members being the Chairman and a "B" Shareholder in each case present in person or by proxy or (in the case of a corporation) by a duly authorised representative or by proxy.

- 5.3 If a quorum is not present within half an hour from the time appointed for the general meeting, or if during a general meeting a quorum ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as the Directors may determine. If at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the general meeting, then any member of the Company present in person or by proxy or (in the case of a corporation) by a duly authorised representative shall be a quorum. Regulations 40 and 41 shall not apply.
- 5.4 In regulation 42 "five" shall be substituted for "fifteen".
- 5.5 At least 14 days' notice must be given of any adjourned meeting (other than any adjournment of a meeting to the same day in the next week in accordance with Article 5.3) and Regulation 45 shall be varied accordingly.
- 5.6 A poll demanded on any question shall be taken forthwith. The first three sentences of Regulation 51 shall not apply.
- 5.7 A member may vote, whether on a show of hands or on a poll, in person or by proxy. The words "on a poll" shall be deleted from Regulation 59, and Regulation 54 shall be varied accordingly.
- 5.8 Unless otherwise specified in the notice convening any meeting, an instrument appointing a proxy may be deposited at the registered office of the Company at any time before the time of the meeting or adjourned meeting or be tabled at the meeting or adjourned meeting and, in the case of a poll, may be deposited at the registered office of the Company at any time before the time for taking the poll or be tabled at the taking of the poll. Regulation 62 shall be extended accordingly.

6. **DIRECTORS**

- 6.1 Whilst there is more than one Director, the quorum for the transaction of the business of the Directors of the Company shall, subject to Article 7.2, be two Directors (such quorum always to include the Chairman or his alternate and one other Nominated Director) present in person or by an alternate. The first sentence of Regulation 89 shall not apply.
- 6.2 Unless otherwise determined by an ordinary resolution of the Company the maximum number of Directors (other than alternate Directors) shall be nine and the minimum number of Directors (other than alternate Directors) shall be one. In the event of the number of Directors being one, a sole Director shall have authority to exercise all the powers and discretions by Table A or these Articles expressed to be vested in the Directors generally.

- 6.3 The holder or holders of a majority of the "A" Shares for the time being in issue shall be entitled to appoint not more than 5 Directors of the Company ("**the "A" Directors**") and to remove any such Directors and to make all necessary appointments to fill any vacancy arising. Every such appointment or removal shall be effected by notice in writing to the Company signed by the holder or holders of a majority of the "A" Shares for the time being in issue and delivered to the office or to the secretary or produced at a meeting of the Directors.
- 6.4 The holder or holders of a majority in nominal value of the "B" Shares for the time being in issue shall, whilst the holder of the "B" Shares in issue at the date of the adoption of these Articles remains the holder and sole beneficial owner of such Shares, be entitled to appoint with the approval of the Board (such approval only to be withheld in the event that the Board has reasonable grounds for objecting to the nominated person) not more than one Director of the Company ("**the "B" Director**") and to remove such Director and to make all necessary appointments to fill a vacancy arising. Every such appointment or removal shall be subject to the approval of the Board (such approval not to be unreasonably withheld or delayed) and effected by notice in writing to the Company signed by the holder or holders of a majority of the "B" Shares for the time being in issue and delivered to the office or to the secretary or produced at a meeting of the Directors.
- 6.5 No Director shall be subject to retirement by rotation and Regulations 73 to 80 inclusive shall not apply.
- 6.6 The Directors may appoint a person who is willing to act to be an additional director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.
- 6.7 No person shall be appointed a Director at any general meeting unless :-
- (a) he is recommended by the Directors; or
 - (b) not less than 14 nor more than 35 clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment stating the particulars which would, if he were appointed, be required to be included in the Company's register of Directors together with notice executed by that person of his willingness to be appointed.
- 6.8 Not less than 7 nor more than 28 clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the Directors for appointment as a

Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment as a director. The notice shall give the particulars of that person which would, if he were so appointed, be required to be included in the Company's register of Directors.

- 6.9 If immediately upon completion of any sale, assignment, transfer or other disposition of any Shares pursuant to the provisions of these Articles any Shareholder no longer has the right to appoint a Nominated Director pursuant to these Articles, that Shareholder shall forthwith procure the immediate removal or resignation of the relevant Nominated Director appointed by him failing which the other Shareholders shall be entitled to remove such Nominated Director from office under Article 6.3 and 6.4 (as appropriate) as if such Nominated Director were nominated by them (and in the absence of such removal or resignation each Nominated Director appointed by such Shareholder shall not be entitled to receive notice of, or attend or vote in person or as alternate at, any meeting of the Directors).
- 6.10 Each "A" Director shall be entitled to nominate, remove and substitute one alternate. Any other Director shall be entitled to appoint any other Director as his alternate or, with the consent of all other Directors, any other person. Regulation 65 shall be varied accordingly.
- 6.11 Any "A" Shareholder or "B" Shareholder whose Nominated Director is removed by him pursuant to Article 6.3 or 6.4 shall indemnify and keep indemnified the Company against any claim by such Nominated Director for unfair or wrongful dismissal or for compensation for loss of office arising out of such removal.
- 6.12 No Director or alternate Director shall be appointed or removed otherwise than pursuant to this Article 6.
- 6.13 The ordinary remuneration of each Director shall be £2,000 per year, or such other sum as the Company may from time to time by ordinary resolution determine. Regulation 82 shall be varied accordingly.

7. PROCEEDINGS OF DIRECTORS

- 7.1 Not less than seven days' written notice shall be given of any meeting of the Board (unless all Directors agree prospectively or retrospectively otherwise for any particular meeting to shorter notice of such meeting) such notice to be accompanied by an agenda specifying the business to be transacted together with copies of any documents to be tabled at the meeting (or, if such copies are not available, with reasonable details of such documents). It shall be necessary to give notice of meetings of the Board to any Directors or alternates who are absent from the United Kingdom and the last sentence

of Regulation 66, and the third sentence of Regulation 88 shall not apply. Any such notice can be given orally or by facsimile transmission to any Director or any alternate.

- 7.2 No business shall be transacted at any meeting of the Directors unless a quorum is present at the time the meeting proceeds to business. If a quorum is not present within half an hour after the time appointed for the meeting or if during the meeting a quorum ceases to be present, the meeting shall stand adjourned until the same day and time in the following week (or such other day and time as all the Directors (or their alternates) shall agree) and, at such adjourned meeting, the quorum shall be one "A" Director.
- 7.3 The Directors attending at any meeting of the Board need not be present at one place provided that they are able to hear and communicate with each other by telephone or other instantaneous means throughout the proceedings. Unless the Directors determine to the contrary, the meeting shall be deemed to be held at the place where the majority of the Directors attending are present or, if there is no majority present in any one place, the place where the Chairman of the meeting is present.
- 7.4 Regulation 91 shall be varied so that the Chairman shall be an "A" Director (or his alternate). Regulation 93 shall apply as if the word "signed" included "approved by letter or facsimile transmission".
- 7.5 The interests of the "A" Shareholder or "B" Shareholder which appointed an "A" Director or a "B" Director and the interests of such Shareholder's Associated Companies (if any) shall be deemed to be the interests of the "A" Director or "B" Director so appointed. An interest of a Director who appointed an alternate Director shall be treated as an interest of the alternate Director, without prejudice to any interest which the alternate Director otherwise has, but not vice versa.
- 7.6 A Director may vote and act concerning any matter in which he has, directly or indirectly, an interest or duty whether or not the same is material and whether or not it conflicts or may conflict with the interests of the Company; and he shall be counted in the quorum present at any meeting of the Directors or a committee of Directors notwithstanding such interest or duty. Regulations 94 to 98 (inclusive) shall not apply.

8. **SECRETARY**

The holder or holders of a majority of the "A" Shares for the time being in issue shall be entitled to appoint and remove the Secretary of the Company and Regulation 99 of Table A shall be modified accordingly.

9. **THE SEAL**

If the Company has a seal it shall only be used with the authority of the Directors or of a committee of Directors so authorised by the Directors. The Directors 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. Regulation 101 shall not apply. The obligation under Regulation 6 relating to the sealing of share certificates shall apply only if the Company has a seal.

10. **NOTICES**

The words, "but otherwise no such member shall be entitled to receive any notice from the Company" in Regulation 112 and the words ", if any, within the United Kingdom" in Regulation 116 shall not apply.

11. **INDEMNITIES AND INSURANCE**

11.1 Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all 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 judgment is given in his favour or in which he is acquitted or in connection with any application under section 144 or section 727 of the Act in which relief is granted to him by the Court, and 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 execution of the duties of his office or in relation thereto, provided that this Article shall only have effect in so far as its provisions are not avoided by section 310 of the Act. Regulation 118 shall not apply.

11.2 The Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or auditors of the Company, or of any other company which is its holding company or in which the Company or such holding company has any interest whether direct or indirect or which is in any way associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company or subsidiary undertaking 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 and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund.