

Company No. 3675683

THE COMPANIES ACT 1985



COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

ASHMORE GROUP LIMITED

Passed on 28th September 1999

On 28th September 1999 the following was duly passed as a written resolution of the Company:

RESOLVED THAT the following new Articles 7.6A, 7.6B and 7.6C shall be inserted in the Company's Articles of Association immediately after Article 7.6.

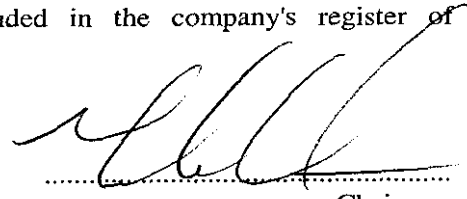
"7.6A The directors may appoint a person who is willing to act to be an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.

7.6B No person shall be reappointed 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 reappointment stating the particulars which would, if he were reappointed, 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 or reappointed.

7.6C 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 reappointment 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 reappointment as a director. The notice shall give the particulars of that person which would, if he were so

reappointed, be required to be included in the company's register of directors."



.....
Chairman

Company No. 3675683

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ASHMORE GROUP LIMITED

(Adopted by special resolution passed on 24 February 1999)

**(Amended by Members' Written Resolution passed on
28 September 1999)**

NICHOLSON GRAHAM & JONES

110 Cannon Street, London EC4N 6AR

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
ASHMORE GROUP LIMITED

(Adopted by special resolution passed on 24 February 1999)

(Amended by Members' Written Resolution passed on
28 September 1999)

1. **PRELIMINARY**

In these Articles:

- 1.1 **"A" Shareholders**" means the holder or holders for the time being of all the issued "A" Shares.

"Associated Company" means any parent undertaking or subsidiary undertaking from time to time of a 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.

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

"B" Shareholder" means the holder or holders for the time being of all the issued "B" Shares.

"C" Shareholders" means the holder or holders for the time being of all the issued "C" Shares.

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

"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.

"Loan Notes" means that form of debt instrument issued by the Company to any Shareholder in its capacity as a member of the Company together with all accrued but unpaid interest thereon (if any).

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

"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 in direct line of such member and a husband or wife or widower 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 ordinary shares of 1p each in the capital of the Company from time to time and the phrases "A" Shares, "B" Shares and "C" Shares shall be construed accordingly.

"Table A" means Table A in the Companies (Tables A to F) Regulations 1985 as amended at the date of adoption of these Articles and attached hereto. 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 or at any adjourned 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, 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 Subject to the provisions of the Act the Company shall have power to make a payment in respect of the redemption or purchase under Section 160 or (as the case may be) Section 162 of the Act of any of its own shares otherwise than out of its distributable profits or the proceeds of a fresh issue of shares in the Company.
- 2.6 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 Save in respect of all shares issued at the date hereof, except with the consent in writing of the majority of holders of each class of Shares, any unissued Shares from time to time after the date of the adoption of these Articles shall before they are issued be offered to all the holders of Shares in proportion as nearly as may be to the number of existing Shares held by them respectively (and such offer shall be for subscription fully paid and otherwise on the same terms to each such holder). 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 fourteen days but not 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 Board shall further offer the Shares declined or deemed to be declined (if any) 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 further offer. 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 "C" Shares pursuant to any share options which may be issued or granted by the Company nor to all the existing 172,500 "C" shares at the date of the 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 shall only be allotted subject to such authority as may be conferred on the Board by the Company in general meeting from time to time provided that, in the case of Shares not accepted as aforesaid, such Shares shall not be allotted on terms which are more favourable to the subscribers of those Shares than the terms on which they were offered to the existing Shareholders.
- 3.4 Section 89(1) and sub-sections (1) to (6) of Section 90 of the Act shall not apply to the Company.
- 3.5 Any shares shall before issue to a person who is already a holder of "A", "B" or "C" Ordinary Shares be redesignated as "A" Ordinary Shares, "B" Ordinary Shares or "C" Ordinary Shares (as the case may be) and shall accordingly be subject to such of the provisions of these Articles as are applicable to "A" Ordinary Shares, "B" Ordinary Shares or "C" Ordinary Shares (as the case may be) and where a shareholder holds a combination of "A", "B" or "C" Shares, the redesignation of such Shares shall be in proportion to the class of Share held.

4. **TRANSFER OF SHARES**

- 4.1 The Board shall refuse to register any transfer of a Share unless it has been executed as permitted or required by the provisions of these Articles or registration has been agreed to in writing by all members of the Company.

4.2 **Stapling**

Subject to the prior approval of the Board, the Shares and the Loan Notes respectively shall be deemed to accompany the other (the "Stapled Loan Notes") in accordance with the following provisions:-

- (a) No transfer of any Shares by a Shareholder shall be registered unless it is accompanied by an assignment or transfer of such part of the Loan Notes held by such Shareholder to the transferee of the said Shares, as shall equal the proportion which the nominal value of such Shares represents to the nominal value of the total number of Shares held by such Shareholder at the time of such transfer (the purchase price for such Stapled Loan Notes to be the nominal value outstanding of such Stapled Loan Notes together with any accrued but unpaid interest thereon or such other lower amount as the transferor may agree). Subject to above prior approval of the Board, an application for the transfer of any Shares shall be deemed to be accompanied by an application to transfer the Stapled Loan Notes relating thereto for the purposes of this Article 4 or Article 5 below.
- (b) No transfer of any Loan Notes by a Shareholder shall be registered unless it is accompanied by an assignment or transfer of such part of the Shares

held by such Shareholder to the transferee of the said Loan Notes, as shall equal the proportion which the nominal value of such Loan Notes represents to the nominal value of the total number of Loan Notes held by such Shareholder at the time of such transfer (the purchase price for such Shares to be the fair value of the Shares determined in accordance with Article 5.13). Subject to above prior approval of the Board, an application for the transfer of any Loan Notes shall be deemed to be accompanied by an application to transfer the Shares relating thereto for the purposes of this Article 4 or Article 5 below.

4.3 Permitted Transfers

- (a) Subject to obtaining the prior consent of 75% of the holders in nominal value of all Shares in issue taken together as one class, any Shareholder may freely transfer (subject to compliance with Regulation 24) at any price all or any Shares held by him to any third party he may decide, and such transfer shall not be subject to the pre-emption provisions set out in Article 5.
- (b) Any Shares (other than any Shares in respect of which the holder thereof shall have been required by the Directors to give a Transfer Notice or shall have been deemed by the Directors to give a Transfer Notice or shall have been 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;
 - (ii) by any such individual Shareholder to be held upon Family Trusts related to such individual Shareholder ("Relevant Individual").
- (c) Where shares have been issued to trustees of Family Trusts or transferred under Article 4.3(b) or under paragraphs (i) or (ii) of this Article to trustees of Family Trusts, the trustees and their successors in office may transfer all or any of the relevant Shares:-
 - (i) to the trustees for the time being of the Family Trust concerned on nay 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) If and whenever any of the relevant Shares come to be held otherwise than upon Family Trusts, except in circumstances where a transfer thereof is authorised pursuant to Article 4.3(c) to be and is to be made to the person or persons entitled thereto, it shall be the duty of the trustees holding such

shares to notify the Directors in writing that such event has occurred and the trustees shall be bound, if and when required in writing by the Directors so to do, to give a Transfer Notice pursuant to Article 5.2 in respect of the Shares concerned.

- (e) If a person to whom shares have been transferred pursuant to Article 4.3(b) shall cease to be a Privileged Relation, such person shall be bound, if and when required in writing by the Directors so to do, to transfer such shares back to the transferor from whom the shares were received pursuant to Article 4.3(b) and if such transfer is not effected within 14 days after being so required, to give a Transfer Notice pursuant to Article 5.2 in respect of the shares concerned.
- (f) Any Shareholder (for the purposes of this Article 4.3(c) "Original Shareholder") which is a body corporate may at any time transfer all (but not only some) 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 only some) Shares to 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, a Transfer Notice pursuant to Article 5.2 shall be deemed to have been served by the former Associated Company on the Company in respect of all the Shares held by that former Associated Company.
- (g) Any "A" Shareholder or "B" Shareholder wishing to transfer any or all of his "A" Shares or "B" Shares (or any interest therein) as the case may be, without the prior consent of 75% of the holders in nominal value of all Shares in issue taken together as one class, shall serve a Transfer Notice on the Company in accordance with Article 5.2 specifying the number and class of Shares in question, the price per Share at which such Shareholder wishes to sell and the name of the proposed transferee.

For the avoidance of doubt, the provisions of Article 4.5 (Acquisition of Majority Interest) and Article 5.8 (Good Leaver/Bad Leaver Provisions) shall apply to all Shares transferred to a permitted transferee in accordance with Article 4.3(b) and 4.3(f).

4.4 **Transfer Restrictions**

- (a) Any "C" Shareholder wishing to transfer any or all "C" Shares held by that "C" Shareholder other than pursuant to Articles 4.3(b) and 4.3(f) ("Retiring Shareholder") shall first give a notice in writing ("Sale Notice") to the Company to that effect specifying the number of "C" Shares held by the Retiring Shareholder which he intends to sell ("Sale Shares") (which shall be the subject of the Sale Notice) and specifying the minimum price per Sale Share which the Shareholder invites to sell the Sale Shares ("Notice Price"). The Sale Notice shall constitute the appointment of the Company as agent for the Retiring Shareholder for the sale of the Sale Shares.

- (b) Not later than seven days after receipt of a Sale Notice the Company shall serve a notice ("Invitation Notice") on the "A" Shareholder(s) and all other "C" Shareholders (together the "Invitees") inviting offers to buy any or all of the Sale Shares at the Notice Price per Sale Share and specifying the period during which the invitation for sale of the Sale Shares shall remain open, which shall be a period of 21 days from the date of service of the Invitation Notice ("Offer Period"). The Invitation Notice shall invite each such Invitee to send to the Company a written offer ("Purchase Offer") to purchase all or any of the Sale Shares stating the highest price per Sale Share at which it would be prepared to purchase each Sale Share.
- (c) After the expiry of the Offer Period, the Board shall determine the highest price at which all (but not some) of the Sale Shares may be transferred ("Strike Price") using (subject to a decision by the Board to the contrary) the following procedure:-
- (i) in the event that the number of Sale Shares exceeds the number of Sale Shares offered to be purchased pursuant to Purchase Offers received by the Company, the Retiring Shareholding shall be entitled to serve a further Sale Notice pursuant to Article 4.4.(e)(i);
 - (ii) in the event that the number of Sale Shares offered to be purchased pursuant to Purchase Offers received by the Company exceeds the number of Sale Shares, the Board shall only have regard for those Purchase Offers offering the highest spread of Purchase Prices and which together offer to purchase as close to, but not less than, all the Sale Shares ("Qualifying Offers") and shall disregard the rest of the Purchase Offers;
 - (iii) the Strike Price shall be determined to be the best price at which all the Sale Shares have been offered to be purchased pursuant to the Qualifying Offers. The Strike Price shall be the lowest of the spread of prices specified in the Qualifying Offers. Each Invitee who served a Qualifying Offer on the Company shall be referred to as a Qualifying Offeror, and the effect of determining the Strike Price shall be that no Qualifying Offeror shall be obliged to purchase the Sale Shares at a price higher than the price specified in their Qualifying Offer;
 - (iv) if the total number of Sale Shares offered to be purchased pursuant to the Qualifying Offers exceeds the total number of Sale Shares, then the number of Sale Shares referred to in each Qualifying Offer made by each Qualifying Offeror shall be deemed to be reduced pro-rata to the number of Shares offered to be purchased in each Qualifying Offer such that the total number of Sale Shares offered to be purchased pursuant to all the Qualifying Offers made by all Qualifying Offerors shall be equal to the number of Sale Shares.
- (d) Within 7 days of expiry of the Offer Period, the Company shall give notice to each of the Qualifying Offerors and the Retiring Shareholder of the Strike

Price and the number of Sale Shares that each Qualifying Offeror is entitled to purchase whereupon the Retiring Shareholder shall either:

- (i) in the event that the Strike Price equals or exceeds the Notice Price, become bound to complete the sale and purchase of such Sale Shares as if accepted pursuant to such offers within 28 days of the expiry of the Offer Period; or
 - (ii) in the event that the Strike Price does not equal or exceed the Notice Price, have 7 days to accept such offers to purchase by giving notice in writing to the Company and each Qualifying Offeror and thereupon the Retiring Shareholder and each Qualifying Offeror shall become bound to complete the sale and purchase of such Sale Shares as if accepted pursuant to such offers within 28 days of the Retiring Shareholder's acceptance.
- (e) In the event that the Retiring Shareholder does not accept all offers to purchase in accordance with Article 4.4(d)(ii), the Retiring Shareholder shall thereon be entitled to either:-
- (i) serve a further Sale Notice on the Company specifying a revised price which it invites to sell its Sale Shares, and the provisions of Articles 4.4(a) to 4.4(d) inclusive shall apply *mutatis mutandis* to such further Sale Notice; or
 - (ii) sell the Sale Shares to:
 - (A) Firstly, any "B" Shareholder, the Company or any Employee Benefit Trust established by the Company at such price as may be agreed between them (but, in the event of a proposed sale of the Sale Shares to a "B" Shareholder, not less than the last applicable Notice Price) and in accordance with the provisions of the Act (such sale to complete within one month of the expiry of the Offer Period); and subject thereto
 - (B) Secondly, upon receipt by the Board of a notification in writing by the Retiring Shareholder of his proposed transferee at a price not less than the last applicable Notice Price within 5 business days of the expiry of the Offer Period, to any "A" Shareholder and "B" Shareholder who makes a final offer within one month of the expiry of the Offer Period to purchase the Sale Shares at the last applicable Notice Price (whereupon if more than one Shareholder makes such an offer, the Sale Shares shall be purchased pro-rata to such Shareholders' shareholding at that time); and, subject thereto
 - (C) Finally, in default of the sale of the Sale Shares to an "A" Shareholder and/or a "B" Shareholder pursuant to paragraph (B) above, to such proposed transferee notified in writing to the Board by the Retiring Shareholder at a price not less

than the last applicable Notice Price. In the event that a sale pursuant to this sub-article 4.4(e)(ii)(C) has not completed within 2 months of the expiry of the Offer Period, all rights under this Article 4.4(e)(ii) in relation to the Retiring Shareholder shall lapse until the Retiring Shareholder serves a further Sale Notice in accordance with Article 4.4(a)).

- (f) Each Sale Share purchased by any "A" Shareholder or "B" Shareholder pursuant to Articles 4.4(d) and 4.4(e) shall be converted on transfer into one "A" Share or "B" Share (as the case may be) ranking pari passu in all respects with the existing "A" Shares, "B" Shares and "C" Shares.
- (g) If the Retiring Shareholder fails to carry out the sale of any Sale Shares and the Stapled Loan Notes relative thereto to the relevant Shareholder(s) ("Transferee(s)") in accordance with the provisions of Article 4.4(d), and for the purposes of securing its obligations under this Article 4.4(g), the Retiring Shareholder hereby irrevocably appoints the Company as its attorney to execute, complete and deliver in the name of and on behalf of the Retiring Shareholder, transfer(s) of the relevant Sale Shares and the Stapled Loan Notes relative thereto in favour of the Transferee(s) against payment of the Strike Price per Sale Share and the nominal outstanding amount of the Stapled Loan Notes relative thereto (together with all accrued but unpaid interest on such Stapled Loan Notes) and the Company may give a good receipt for such purchase price for such Sale Shares and Stapled Loan Notes relative thereto and, subject to such transfer being duly stamped, may register the Transferee(s) as holder(s) thereof and issue certificates in respect thereof (and such shall be deemed to have already transferred the Sale Shares for the purpose of establishing the quorum and right to vote at any meeting convened to effect the actions of the Company pursuant to this Article). The Retiring Shareholder shall in such case be bound to deliver up its certificate(s) for the Sale Shares and the Stapled Loan Notes (if any) to the Company and shall be entitled to receive the purchase price which shall in the meantime be held by the Company in trust for the Retiring Shareholder, but without interest subject to applying such sums on its behalf in settling any fees or expenses falling to be borne by the Retiring Shareholder.
- (h) After the name(s) of the Transferee(s) has been entered in the register of members in purported exercise of the aforesaid powers the validity of the proceedings prescribed by these Articles, and their implementation shall not be questioned by any person.

4.5 Acquisition of Majority Interest

- (a) If a transfer or transfers of Shares (the "Majority Transfer") to a person (the "proposed transferee") would result in the proposed transferee and persons acting in concert to obtain control of the Company (as such term is defined by the City Code on Takeovers and Mergers) holding the legal or beneficial interest or both in more than 50.1% per cent by nominal value of all the Shares in issue of the Company at that time 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 4.5 to acquire all the other Shares in issue at that time.

- (b) The offer referred to in Article 4.5(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 on equal terms to all Offerees;
 - (iv) be on terms that the Offerees shall be entitled to receive for their Shares a sum in cash equal to an amount for each Share equal to the highest of (i) of the highest price and/or cash value of any non-cash consideration determined in accordance with Article 4.5(g) per Share paid or payable during the six months preceding the offer by any person and (ii) the price proposed to be paid by the proposed transferee in relation to the relevant transfer;
 - (v) be on terms that any acceptance by each offered is conditional upon the proposed transferee and those acting in concert with him as aforesaid acquiring Shares which together with those already held represent in excess of 50.1% per cent by nominal value of all the Shares in issue with the Majority Transfer and all acquisitions pursuant to this Article 4.5 being completed at the same time; and
 - (vi) include an offer to acquire all Loan Notes and other securities in the Company held by the other Shareholders (the consideration for such acquisition being the total of the nominal outstanding amount of such Loan Notes and/or other securities and all accrued but unpaid interest (or equivalent or similar rights) thereon.
- (c) In this Article 4.5 a "Qualifying Offer" shall mean a bona fide arms' length offer in writing by or on behalf of any person (the "Offeror") to the holders of the entire issued equity share capital in the Company to acquire all of the issued equity share capital of the Company and all Loan Notes for a specified amount of consideration which on acceptance will give rise to a binding contract (whether conditional or not) for the sale and purchase of such equity share capital and Loan Notes.
- (d) If the holders of not less than 50.1% of the equity share capital of the Company then in issue (the "Accepting Shareholders") wish to accept the Qualifying Offer, then the provisions of Articles 4.5(e) to 4.5(f) shall apply.
- (e) The Accepting Shareholders shall give written notice to the remaining holders of equity share capital of the Company (the "Other Shareholders") of their wish to accept the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer (but so that if the specified consideration is not wholly in cash, the Offer or shall be bound to pay to the Other Shareholders the equivalent value (determined in

accordance with Article 4.5(g)) of the specified consideration per equity share in cash together with the nominal outstanding amount of the Stapled Loan Notes relative thereto and any accrued but unpaid interest thereon in satisfaction of the payment of any Offer consideration to any Other Shareholder) and to transfer their Shares and Stapled Loan Notes relative thereto to the Offer or (or his nominee) with full title guarantee and to warrant that such Shares and Stapled Loan Notes relative thereto are sold free from all liens, charges, encumbrances and other equities on the date specified by the Accepting Shareholders.

- (f) If any Other Shareholder shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the equity shares and Stapled Loan Notes relative thereto held by him and deliver the certificate(s) (if any) in respect of the same (or a suitable indemnity in lieu thereof), then as security for the performance of its obligations under this Article 4.5(f), each Other Shareholder hereby irrevocably appoints the Company as its attorney to execute, complete and deliver in the name of and on behalf of the Other Shareholder the necessary transfer(s) and indemnities against receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the relevant Shares and Stapled Loan Notes relative thereto and the Company may, subject to such transfer(s) being duly stamped, register such Offer or (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.
- (g) For the purposes of these Articles, any consideration which may be satisfied other than in cash shall be deemed to have such value as one of the major accounting firms in the United Kingdom selected by the Board shall, in its absolute discretion determine to be the market value of such consideration (assuming a willing buyer and a willing seller) and such firm shall give a certificate to such effect to the Company. In the absence of agreement by the Board as to the identity of such firm within 14 days of any Shareholder proposing a firm for this purpose (and for the avoidance of doubt, such proposal may be made prior to completion of the transfer in respect of which the non-cash consideration is offered), such firm shall be a firm appointed by the President of the Institute of Chartered Accountants in England and Wales from time to time on the application of any Shareholder. Such firm shall be instructed to make its determination within 21 days of such instruction. Such firm shall act as an expert and not as an arbitrator, its decision shall (in the absence of manifest error) be final and binding and its fees for so acting shall be paid for by the selling Shareholder which is prepared to accept such non-cash consideration. If any such consideration for any Sale Shares requires to be determined under this Article 4.5(f), any time limits or periods contained in this Article 4 shall be suspended pending such determination and shall recommence on the second Business Day after the certificate as to the market value of such consideration has been provided to the Company.
- (h) The provisions of Articles 4.3 and 4.4 shall not apply to any transfer pursuant to and in accordance with this Article 4.5.

5. LEAVING PROVISIONS

5.1 In this Article 5 the following words shall bear the following meanings:-

- “Acceptance Period” a period during which an offer made under Article 5.2(v) is open for acceptance;
- “Bad Leaver” An Employee to whom Article 5.8 applies who ceases to be an Employee other than in circumstances which constitute him a Good Leaver;
- “Employee” an individual who is employed by the Company under the terms of an agreement between the Company and such individual (and “contract of employment” shall be construed accordingly to include such an agreement);
- “Family Transferee” any holder of any shares transferred by an Employee in accordance with Article 4.3(b).
- “Good Leaver” an Employee to whom Article 5.8 applies who ceases to be an Employee in one of the following circumstances:
- (a) by way of retirement at the normal retirement age specified in their contract of employment; or
 - (b) by way of death; or
 - (c) by way of permanent physical or mental incapacity; or
 - (d) by way of redundancy; or
 - (e) where such cessation occurs after the second anniversary of the date of the adoption of these Articles in any circumstance other than in circumstances involving a breach of his contract of employment as would justify summary dismissal; or
 - (f) at any time, where the Board in its discretion decides (and it is agreed that the Board shall reach such decision as soon as is reasonably practicable following the cessation of the employment of such Employee unless any of the above circumstances apply) that such Employee is a Good Leaver (and, for the avoidance of doubt, the Board shall in making its decision act fairly and reasonably at all times in

exercising such discretion, and its decision shall not form a precedent for the making of such decisions in the future);

“Member”	a holder of "A" Shares, "B" Shares or "C" Shares as the case may be;
“The Prescribed Price”	the price per Sale Share specified in the Transfer Notice or (if no price is specified) to the price per Sale Share agreed or determined pursuant to Article 5.2(iv);
“Priority Rights”	the rights of Members and/or the Employee Benefit Trust to purchase Shares comprised in a Transfer Notice in the order of priority stipulated in Article 5.2(vi);
“Purchaser”	a Member willing to purchase Shares comprised in a Transfer Notice;
“the Sale Shares”	all Shares comprised in a Transfer Notice;
“Transfer Notice”	a written notice served or deemed to be served by a Member on the Company in accordance with Article 5.2.

5.2 Transfer Mechanism

- (i) The right to transfer Shares or any interest therein shall (save in respect of transfers made pursuant to Articles 4.3(a), 4.3(b) , 4.4 and 4.5) be subject to the restrictions set out in this Article 5.2.
- (ii) Before transferring, or disposing of, any Shares (or any interest in Shares) the Proposing Transferor shall serve a Transfer Notice on the Company specifying the number and class of Shares in question, and the Transfer Notice shall constitute the Company his agent for the sale of those Shares in accordance with this Article 5.2. Except as provided in this Article 5.2, a Transfer Notice once given or deemed to be given shall not be revocable except with the written consent of the Board.
- (iii) A Transfer Notice may, where permitted, specify the Prescribed Price per Share and shall give the name of the offeror, the number of Shares concerned and the price per Share offered.
- (iv) Forthwith following receipt of a Transfer Notice which does not specify a Prescribed Price for such Shares, the Directors (other than the Proposing Transferor, if a Director, and other than any Director connected with the Proposing Transferor within the meaning of Section 839 of the Income and Corporation Taxes Act 1988) shall seek to agree the Prescribed Price with the Proposing Transferor. In the event that the Prescribed Price is not agreed within 14 days of receipt of the Transfer Notice by the Company,

the fair value of the Sale Shares shall be determined in accordance with Article 5.13 and the Prescribed Price shall be the price indicated in the Valuation Certificate.

- (v) The Sale Shares shall, within 14 days following receipt of the Transfer Notice or (in a case falling within Article 5.2(iv)) agreement or certification of the Prescribed Price, be offered by the Company in accordance with the Priority Rights for purchase at the Prescribed Price (other than to the Proposing Transferor). All offers shall be made by notice in writing and specify a time (being between 14 and 21 days inclusive) within which the offer must be accepted or, in default, will be deemed to have been declined. A copy of such offers shall at the same time be sent by the Company to the Proposing Transferor.
- (vi) The Company shall offer the Sale Shares in the following order of priority:-
 - (A) to the extent that the Sale Shares comprise "A" Shares, firstly to the other "A" Shareholders; and, subject thereto, secondly, to the "B" Shareholders; and, subject thereto, thirdly, if so required by the Board, to the Company or any Employee Benefit Trust established by the Company; and, subject thereto, fourthly, the "C" Shareholders; and
 - (B) to the extent that the Sale Shares comprise "B" Shares, firstly to the other "B" Shareholders; and, subject thereto, secondly, to the "A" Shareholders; and, subject thereto, thirdly, if so required by the Board, to the Company or any Employee Benefit Trust established by the Company; and, subject thereto, fourthly, the "C" Shareholders; and
 - (C) to the extent that the Sale Shares comprise "C" Shares, firstly to the other "C" Shareholders; and, subject thereto, secondly, to the "A" Shareholders; and, subject thereto, thirdly, if so required by the Board, to the Company or any Employee Benefit Trust established by the Company; and, subject thereto, fourthly, the "B" Shareholders

on the basis that if there is more than one holder of any class of shares ("the relevant class") to whom an offer is to be made pursuant to the Priority Rights, the Shares on offer shall be offered to such holders in proportion as nearly as may be to their existing holdings of Shares, and the Board's decision as to the number of shares which shall be "in proportion as nearly as may be to their existing holdings of shares of the relevant class" shall be conclusive.

- (vii) Each Member to whom the offer is made (if more than one) shall be invited to indicate whether, if he accepts the number of Sale Shares offered to him pursuant to Article 5.2(vi), he wishes to purchase any Sale Shares offered to other Members in the same offer which they decline to accept (such Sale Shares being referred to as "Excess Shares") and if so the maximum number which he wishes to purchase.

(viii) If there are any Excess Shares, they shall be allocated between the Members who have indicated that they wish to purchase Excess Shares. If the number of Excess Shares available is insufficient, the Excess Shares shall be allocated between the Members seeking to purchase them as follows:-

(A) any Member who has sought to purchase no more than his proportionate entitlement of Excess Shares (calculated by reference to the proportion of the total holdings of Shares of the relevant class of Members seeking to purchase Excess Shares represented by that Member's holding) shall be allocated all the Excess Shares he sought to purchase; and

(B) any Member or Members who sought to purchase more than their proportionate entitlement shall have the number of Excess Shares applied for scaled down and (if more than one) in proportion to their respective holdings of Shares of the relevant class.

(ix) Subject to the provisions of this Article, the Purchasers shall be bound to purchase the Sale Shares allocated to them under the provisions of this Article 5.2 at the Prescribed Price.

5.3 Not later than 7 days following the last day of the Acceptance Period the Company shall give written notice to the Proposing Transferor stating:-

(i) if it is the case, that no person has sought to purchase any of the Sale Shares; or

(ii) the number of Sale Shares which persons have sought to purchase, giving the name and address of each Purchaser and the number of Sale Shares to be purchased by him;

and so that in the event that Purchasers have been found in the Acceptance Period for some only of the Sale Shares, the Proposing Transferor may within 7 days of service on him of notice under this Article 5.3 revoke his Transfer Notice by written notice to the Company.

5.4 In the event that the Proposing Transferor is given notice under Article 5.3(ii) (and subject to the Proposing Transferor not revoking his Transfer Notice in accordance with Article 5.3, where permitted) the Proposing Transferor shall be bound on payment of the Prescribed Price to transfer the Shares in question to the respective Purchasers. The sale and purchase shall be completed at the registered office of the Company during normal business hours on the first business day after the expiry of 7 days from the date of service of notice under Article 5.3(ii).

5.5 If a Proposing Transferor, after having become bound to transfer any Shares to a Purchaser, shall fail to do so, the Directors may authorise any person to execute on behalf of and as 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 of 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.

5.6 The Proposing Transferor may transfer Sale Shares to any person or persons if the Company shall fail within the Acceptance Period to find a Purchaser or Purchasers for any of the Sale Shares, the Proposing Transferor may, subject to the following provisions, sell all or any of the Sale Shares:

- (i) Shares may not be sold after the expiry of three months after the date on which notice is given to the Proposing Transferor under Article 5.3; and
- (ii) the Shares must be sold in pursuance of a bona fide sale at a price not being less than the Prescribed Price and the Directors may require to be satisfied that the Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the instrument of transfer without any deduction, rebate or allowance whatsoever to the purchaser.

5.7 A person becoming entitled to a share in consequence of the death or bankruptcy of a member may not elect to have some person nominated by him registered as transferee and may only elect to become the holder of the share once:

- (i) an unrevokable Transfer Notice has been deemed to be served on the Company specifying a proposed transferor and the total number of shares to which such person has become entitled (but not a prescribed price) in accordance with Article 5.2 and, as a consequence, the pre-emption provisions set out in this Article 5 have been exhausted; and thereafter
- (ii) such person has failed to transfer such share at a price not less than that determined for the purpose of the Transfer Notice deemed to have been served in accordance with 5.7(i) to the proposed transferor before the expiry of three months after the exhaustion of the pre-emption provisions set out in this Article 5

and Regulation 30 shall be amended accordingly.

5.8 **Good Leaver/Bad Leaver Provisions**

In the event that any Employee who is also a "C" Shareholder ceases for any reason to be an Employee, such Employee shall be bound within 14 days of the date of such cessation to give a Transfer Notice in respect of all the "C" Shares then registered in his name and/or in the name of a Family Transferee (if any). Such a Transfer Notice shall not specify a Prescribed Price and shall not be capable of revocation under the provisions of Article 5.3. In such circumstances the Prescribed Price per Sale Share shall:-

- (i) in the case of a Good Leaver be the price per Sale Share agreed between the Employee and the Board or, at the Employee's option, determined in accordance with Article 5.13;

(ii) in the case of a Bad Leaver be the lesser of:-

(A) the net tangible asset value of the Company (determined in accordance with Article 5.12) at the date of termination of employment proportionately attributable to the Sale Shares on the basis that all the then issued Shares in the capital of the Company are being offered for sale and form one class of share ranking pari passu in all respects; and

(B) the value of the Sale Shares at par.

5.9 In any case where the Directors require a Transfer Notice to be given in respect of any Shares, or where an Employee is bound to give a transfer notice under Article 5.8, if a Transfer Notice is not duly given within a period of 14 days of demand being made by the Directors or, as the case may be, of the date on which the employment of such Employee ceased, a Transfer Notice in respect of all Shares registered in the name of such Employee and/or such Employee's Family Transferees (if any) shall be deemed to have been given at the expiration of that period. Such a deemed Transfer Notice shall not be capable of revocation under the provisions of Article 5.3.

5.10 Any notice required to be given under this Article 5 by the Company to a Member or by a Member to the Company or otherwise shall be given or served either personally or by sending it by first class post to the registered office of the Company or to the registered address of the Member (as the case may be) or, if he has no registered address within the United Kingdom and has supplied to the Company an address within the United Kingdom for the giving of notice to him, to the address so supplied. When a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and to have been effected 48 hours after posting.

5.11 The restrictions imposed by this Article 5 may be waived in relation to any proposed transfer of Shares with the consent of all Members who, but for such waiver, would or might have been entitled to have such shares offered to them in accordance with Article 5.2(vi).

5.12 **Determination of Net Tangible Asset Value**

For the purposes of Article 5.8(ii)(A) the net tangible asset value of the Company shall mean the net tangible asset value of the Company shown in the last prepared audited balance sheet of the Company as at the date of the termination of the employment with the following adjustments (so far as the same may not already have been taken into account in the preparation thereof):

- (i) goodwill and other intangible assets shall be excluded;
- (ii) such freehold or leasehold property or such interest therein as shall at the date of exercise of the Right be in the ownership of the Company shall be included in such amount as shall represent the open market value thereof;
- (iii) there shall be deducted the total amount of any tax that would be payable by the Company on the disposal proceeds in the event that on the date of

exercise of the Right such freehold or leasehold property or such interest therein as shall at that date be in the ownership of the Company had been disposed of for a consideration equal to the open market value thereof; and

- (iv) there shall be deducted to represent notional costs incurred in connection with a sale of such freehold or leasehold property or such interest therein as shall at the date of exercise of the Right be in the ownership of the Company a sum equal to 5 per cent of the open market value thereof together with value added tax on such sum to the extent that the same shall not be recoverable by the Company.

5.13 Determination of Fair Value

The Company shall to apply either to the President for the time being of the Institute of Chartered Accountants in England and Wales or, if he shall be unable or unwilling to make an appointment, to the High Court of Justice in England, for the appointment of an expert (the "Expert") (acting as an expert and not as an arbitrator) to certify his opinion of the fair value as at the date that the proposed transferee has served (or has deemed to have served) the Transfer Notice of each 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, 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 5.13 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 be reasonably considered to be likely to have a material affect 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 5.13 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 Selling Shareholder and his certificate shall be final and binding on all the Shareholders.

6. GENERAL MEETINGS

- 6.1 In Regulation 37 the words "within the United Kingdom" shall be deleted.
- 6.2 No business shall be transacted at any general meeting unless a quorum of members is present. A quorum shall 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.
- 6.3 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.

- 6.4 In regulation 42 "five" shall be substituted for "fifteen".
- 6.5 At least 14 days' notice must be given of any adjourned meeting (other than any adjourned pursuant to Article 6.3) and Regulation 45 shall be varied accordingly.
- 6.6 A poll demanded on any question shall be taken forthwith. The first three sentences of Regulation 51 shall not apply.
- 6.7 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.
- 6.8 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.

7. **Directors**

- 7.1 Whilst there is more than one Director, the quorum for the transaction of the business of the Directors of the Company shall be two Directors (such quorum always to include the Chairman or his alternate and one Nominated Director) present in person or by an alternate. The first sentence of Regulation 89 shall not apply.
- 7.2 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.
- 7.3 The holder or holders of the majority of the nominal value of the "A" Ordinary Shares 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 in nominal value of the issued "A" Ordinary Shares and delivered to the office or to the secretary or produced at a meeting of the Directors.
- 7.4 The holder or holders of a majority in nominal value of the "B" Ordinary Shares shall be entitled to appoint with the approval of the Board (such approval shall only 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 unreasonable withheld or delayed) and effected by notice in writing to the Company signed by the holder or holders

of a majority in nominal value of the issued "B" Shares and delivered to the office or to the secretary or produced at a meeting of the Directors.

- 7.5 The Directors of the Company holding office immediately prior to the adoption of these Articles shall be deemed to have been appointed by the holder of the "A" Shares pursuant to Article 7.3 hereof.
- 7.6 No Director shall be subject to retirement by rotation and Regulations 73 to 80 inclusive shall not apply.
- 7.6A 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 the articles as the maximum number of Directors. A Director so appointed shall hold office only until the next following annual general meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.¹
- 7.6B No person shall be reappointed 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 reappointment stating the particulars which would, if he were reappointed, 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 or reappointed.¹
- 7.6C 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 reappointment 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 reappointment as a director. The notice shall give the particulars of that person which would, if he were so reappointed, be required to be included in the company's register of Directors.¹
- 7.7 The Directors shall be entitled to receive a sum of £2,000 per annum by way of remuneration or such other sum as the Company may from time to time by ordinary resolution determine. Regulation 82 shall be amended accordingly.
- 7.8 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

¹Inserted by Members' Written Resolution passed ____ September 1999.

relevant Nominated Director appointed by it failing which the other Shareholders shall be entitled to remove such Nominated Director from office under Articles 7.3 and 7.4 (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).

- 7.9 Each "A" Nominated 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.
- 7.10 Any "A" Shareholder or "B" Shareholder whose Nominated Director is removed by it pursuant to Articles 7.3, 7.4 and 7.8 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.
- 7.11 No Director or alternate Director shall be appointed or removed otherwise than pursuant to this Article 7, save as provided by law.
- 7.12 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 shall not apply. Any such notice can be given orally or by facsimile transmission to any Director or any alternate.
- 7.13 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.
- 7.14 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.
- 7.15 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".
- 7.16 The interests of the "A" Shareholder(s) or "B" Shareholder(s) which appointed a "A" Director or "B" Director and the interests of its 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.

- 7.17 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 in nominal value of the "A" Shares 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 last sentence of 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 Companies 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 Companies 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.