

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

COLLECTIVE INVESTMENTS LIMITED *

PRELIMINARY

1. (a) Subject as hereinafter provided, the regulations contained in Table A of the Companies (Tables A to F) (Amendment) Regulations 1985 (hereinafter referred to as 'Table A'), and made pursuant to the provisions of the Companies Act (hereinafter referred to as "the Act") shall apply to the Company.
- (b) Regulations 24, 35, 40, 73, 74, 75 and 77 to 81 inclusive of Table A shall not apply to the Company.
- (c) The expressions "relevant securities" and "equity securities", wheresoever appearing herein, shall bear the meanings ascribed to them by the Act.

SHARES

2. (a) Subject to the provisions of Table A and to the following provisions of these Articles, the Directors shall have authority to exercise any power of the Company to offer, allot or otherwise dispose of any shares in the Company, or any relevant securities, to such persons, at such times and generally on such terms and conditions as they think proper provided that (insofar as the Company in General Meeting shall not have varied, renewed or revoked the said authority):

* Change of name from Chilite Enterprises Limited on 30 July 1991

- (i) The Directors shall not be authorised to make any offer or allotment of shares in the Company, or grant any right to subscribe for, or to convert any securities into, shares in the Company if such allotment, or an allotment in pursuance of such offer or right, would or might result in the aggregate of the shares or stock in issue exceeding, in nominal value, the amount of the Authorised Share Capital of the Company for the time being, and such limitation shall determine the maximum amount of the relevant securities which at any time remain to be allotted by the Directors hereunder.
 - (ii) The period within which the said authority to allot relevant securities may be exercised shall be limited to five years, commencing upon the date of the incorporation of the Company.
 - (b) Any offer or agreement in respect of relevant securities, which is made prior to the expiration of such authority and in all other respects within the terms of such authority, shall be authorised to be made, notwithstanding that such offer or agreement would or might require relevant securities to be allotted after the expiration of such authority and, accordingly, the Directors may at any time allot any relevant securities in pursuance of such offer or agreement.
 - (c) The authority conferred upon the Directors to allot relevant securities may at any time, by Ordinary Resolution of the Company in General Meeting, be revoked, varied or renewed (whether or not it has been previously renewed hereunder) for a further period not exceeding five years.
3. s 89(1) and s90(1) to (6) of the Act shall not apply to any allotment of equity securities by the Company. The shares comprised in the initial allotment by the Company shall be at the disposal of the Directors as they think proper but thereafter, unless otherwise determined by Special Resolution of the Company in General Meeting, any relevant securities shall, before they are allotted on any terms to any person, be first offered on the same or more favourable terms to each person who holds shares in the Company in the proportion which is, as nearly as practicable, equal to the proportion in nominal value held by him of the aggregate of such shares in issue.

Such offer shall be made by notice in writing specifying the number of shares offered and the period, being not less than twenty one days, within which the offer, if not accepted, will be deemed to have been declined. After the expiration

of such period, or on receipt of notice of the acceptance or refusal of every offer so made, the Directors may, subject to these Articles, dispose of such securities as have not been taken up in such manner as they think proper. The Directors may, in like manner, dispose of any such securities as aforesaid, which by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in the manner hereinbefore provided.

4. (a) No share shall be issued at a discount.
- (b) The Company shall not have power to issue share warrants to bearer.
- (c) Any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.
5. Subject to the provisions of Part V of the Act -
 - (a) The Company may purchase any of its own shares, provided that the terms of any contract under which the Company will or may become entitled or obliged to purchase its own shares shall be authorised by Special Resolution of the Company in General Meeting before the Company enters into the contract.
 - (b) The Company shall be authorised, in respect of the redemption or purchase of any of its own shares, to give such financial assistance, or to make such payments out of capital as may be permissible in accordance with the Act, provided that any such assistance or payment shall first be approved by Special Resolution of the Company in General Meeting.

LIEN

6. In regulation 8 of Table A, the words "(not being a fully paid share)" shall be omitted. The Company shall have a first and paramount lien on all shares standing registered in the name of any person (whether he be the sole registered holder thereof or one of two or more joint holders) for all moneys presently payable by him or his estate to the Company.

PRE-EMPTION RIGHTS ON TRANSFER

7. None of the shares of the Company shall be transferred except in accordance with the provisions contained in this Article:-

- (a) (1) A member (or his personal representative or receiver in bankruptcy) may at any time transfer all or any shares to a privileged relation (as hereinafter defined) of such member
- (2) For the purposes of these Article the words "privileged relation" shall mean a grandparent of the member, any lineal descendant of such grandparent, any person who is or has been married to the member or to any of them (descendancy being traced through adopted children and step-children as well as natural children or the trustees of a trust for the benefit of all or any of the above)
- (b) (1) In all other cases before transferring any shares the person proposing to transfer the same ("the Proposing Transferor") shall give a notice in writing ("the Transfer Notice") to the Company that he proposes to transfer the same and the Transfer Notice shall constitute the Directors his agent for the sale of the shares therein mentioned at a price set by the Proposing Transferor ("the Proposed Price") to any member or members in accordance with these Articles. A Transfer Notice once given or deemed to be given shall not be revocable except with the consent of the Directors. A Transfer Notice may state whether or not the Proposing Transferor is willing to sell at the Proposed Price any lesser number of shares than the total number included in the Transfer Notice and, if so, what number.
- (2) All shares comprised in any Transfer Notice shall, within 14 days after the Transfer Notice is received by the Company, be offered by the Directors in writing to each holder of shares (other than the Proposing Transferor) for purchase at the Proposed Price inviting him to state in writing within 28 days from the date of the said offer whether he is willing to purchase any and if so what number of shares. At the expiration of the said period the Directors shall allocate the shares comprised in the Transfer Notice to the member or members who shall have notified their willingness to purchase as aforesaid and in the event of competition in proportion to their existing holdings of shares.
- (3) If the Directors shall, pursuant to the foregoing provisions of this Article, find a member or members ("a Purchaser" or "Purchasers") willing to purchase all the shares concerned or where the Proposing Transferor has stated in the Transfer Notice that he is willing to sell any lesser

number of them (not being fewer than the number stated as any minimum number in the Transfer Notice) and shall give notice in writing thereof to the Proposing Transferor, he shall be bound, upon payment of the Proposed Price, (or such portion thereof as shall pursuant to any agreement between the Proposing Transferor and the Purchaser be payable by the Purchaser on completion of the purchase) to transfer such shares to the respective purchasers thereof. Every such notice shall state the name and address of each Purchaser and the number of shares agreed to be purchased by him, and the purchase shall be completed at a place and time to be appointed by the Directors as not being less than seven days nor more than twenty eight days after the date of service of such notice.

- (4) If in any case a Proposing Transferor, after having become bound to transfer any shares to a Purchaser, shall make default in so doing the directors may authorise some person to execute any necessary transfers in favour of the Purchaser or Purchasers and may receive the purchase money and shall thereupon cause the name of the Purchaser or Purchasers to be entered in the register of members as the holders of the said shares and will hold the purchase money in trust for the Proposing Transferor. The receipt of the Company for the purchase money shall be good discharge to the Purchaser or Purchasers, who shall not be bound to see to the application thereof, and after their name has been entered into the register in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.
- (5) If the Directors are unable to find a Purchaser at the Proposed Price within 3 months of the Transfer Notice being given or being deemed to be given, the Directors shall offer the shares at the Prescribed Price (as hereinafter defined) to any member or members in accordance with these Articles
- (6) The expression "the Prescribed Price" shall mean such sum per share:-
 - (1) as may be agreed upon between the Proposing Transferor and the Directors; or
 - (2) in default of such agreement being reached within 3 months and 14 days of receipt of the relevant Transfer Notice by the Company, as

may be determined by an independent Chartered Accountant to be appointed by the Proposing Transferor and the Directors or failing agreement as to such appointment to be appointed at the instance of the Proposing Transferor or the Directors by the President for the time being of the Institute of Chartered Accountants in England and Wales who shall state in writing what is in his opinion the fair selling value thereof taking into account the provisions of paragraph (7) below

- (7) For the purpose of determining the fair selling value of shares the Chartered Accountant appointed for the purpose shall be given by the Directors all such information relating to the Company, its business and prospects as he might reasonably require and shall take account of the latest accounts of the Company, the fair value of the business of the Company as a going concern and having regard (if relevant) to any anticipated effect of any person ceasing to be a qualified employee and assuming a sale of the shares between a willing vendor and a willing purchaser, but without taking into account (a) (if it be the fact) that the shares constitute a minority interest; (b) any offer made by any other shareholder. The fees and expenses of the independent Chartered Accountant in connection with such certificate shall be borne as to half by the Proposing Transferor and as to the remaining half amongst the Purchasers (if any) of the shares in proportion to the number of shares to be purchased by them respectively or if there are no such purchasers such remaining half shall also be borne by the Proposing Transferor. Such Chartered Accountant shall be deemed to act as an expert and not as an arbitrator and his determination shall be final and binding on all concerned.
- (8) At any time when the Ordinary shares of the Company are admitted to listing on The International Stock Exchange of the United Kingdom and Republic of Ireland Limited or permission to deal in the same on the Unlisted Securities Market has been granted the fair selling value of all the shares for the purposes of sub-paragraph (b) (6) (2) shall be the average of the middle market price of such ordinary shares for the five dealing days immediately preceding the date on which the relevant Transfer Notice is served or deemed to be served multiplied by the average number of such

ordinary shares in issue over that period, in each case as certified by such brokers as the Directors may appoint for the purpose.

- (9) If the Directors shall not within the said period of three months from the date the Prescribed Price is established find Purchasers willing to purchase all the shares comprised in a Transfer Notice or where the Proposing Transferor has stated in the Transfer Notice that he is willing to sell any less number, any number of them being a number equal to or more than the number so stated in such Transfer Notice, they shall so inform the Proposing Transferor by notice in writing as soon as it shall appear that such Purchasers will not be found and in any event at the expiration of such period.
 - (10) Upon receipt of a Notice pursuant to paragraph (b) (9), the Proposing Transferor may at any time within 3 months thereafter transfer the balance of shares specified in the Transfer Notice to any person on a bona fide sale at any price not being less than the fair selling value.
 - (11) If any member of the Company receives an offer to purchase his shares in the Company or agrees terms for a sale of such shares and as a result of completion of such sale and purchase the Company would be under the control (within the meaning given thereto by s 840 Income and Corporation Taxes Act 1988) of a person (and persons connected with him) other than M G B Shaw and his privileged relations, it shall be a condition of such sale and purchase that the offer or agreed terms shall be extended to all members of the Company and be conditional on all outstanding loans due to subordinated loan creditors of the Company being repaid together with outstanding accrued interest thereon. For the avoidance of doubt, if the relevant offer or agreed terms includes benefit to the relevant member in addition to the proposed price for the shares in question (whether by way of remuneration, options or otherwise) extension to all members of the Company shall include the equivalent of such benefit pro rata to their respective shareholdings.
- (c) For the purpose of ensuring that a transfer of shares is duly authorised hereunder or that no circumstances have arisen whereby a Transfer Notice is deemed to have been given hereunder or for the purpose of ascertaining when a Transfer Notice is deemed to have been given hereunder the Directors may from time to time require

any member or the legal personal representatives of any deceased member or the trustee in bankruptcy of any member or the liquidator of any corporate member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Directors within a reasonable time after request the Directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the shares concerned.

- (d) With the consent in writing of all members for the time being the restrictions imposed by this article may be waived or varied in relation to any proposed transfer of shares.

PROCEEDINGS AT GENERAL MEETINGS

8. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors. In regulation 38 of Table A, immediately after the words "place of the meeting and" there shall be inserted the words "in the case of special business".
9. At the end of regulation 38 of Table A there shall be inserted the following: "In every notice of a general meeting there shall appear the statement referred to in s 372(3) of the Act, in relation to the right of members to appoint proxies".
10. (a) No business shall be transacted at any Meeting unless a quorum is present. Two members entitled to attend at that Meeting, present in person, or by proxy or (in the case of a corporation) a duly authorised representative shall be a quorum. At the end of regulation 41 of Table A there shall be inserted the following: "If within half an hour from the time appointed for the holding of an adjourned meeting a quorum is not present, the members present shall be a quorum".
 - (b) In regulation 59 of Table A, the second sentence shall be omitted.

11. Subject to the provisions of the Act, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their respective representatives) shall be as valid and effective as if the same had been passed at a general meeting of the company duly convened and held.

APPOINTMENT AND REMOVAL OF DIRECTORS

12. The first Directors will be the person or persons named in the statement delivered to the Registrar of Companies in accordance with s 10 of the Act. The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.
13. In addition and without prejudice to the provisions of s 303 of the Act, the Company may by Ordinary Resolution remove any Director before the expiration of his period of office. Subject to the provisions of Table A and s 303(2) of the Act, the Company may by Ordinary Resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director. In regulation 38 of Table A the words "or a resolution appointing a person as a Director" shall be omitted.
14. The office of a Director shall be vacated if -
 - (a) he ceases to be a Director by virtue of any provision of the Acts or he becomes prohibited by law from being a Director; or
 - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) he is, or may be, suffering from mental disorder and, in relation thereto, he is admitted to hospital for treatment or an order is made by any court having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;
 - (d) he resigns his office by notice to the Company.

PROCEEDINGS OF DIRECTORS

15. (a) If and so long as there shall be one Director only he shall be entitled to exercise all the powers and shall carry out all the duties assigned to Directors and the provisions of these Articles and the regulations of Table A shall be construed accordingly.

- (b) In regulation 64 of Table A for the word "two" there shall be substituted the word "one" and in the first sentence of regulation 89 of Table A for the word "two" there shall be substituted the word "one".

16. An appointment or removal of an alternate Director may be effected at any time by notice in writing to the Company given by his appointor. An alternate Director may also be removed from his office by not less than twenty four hours' notice in writing to the Company and to the appointor given by a majority of his co-Directors. This Article shall have effect in substitution for regulation 68 of Table A which shall not apply to the Company.

BORROWING POWERS

17. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to s 80 of the Act, to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

DIRECTORS' INTERESTS

18. A Director may vote in respect of any contract or arrangement in which he, or any person with whom he is connected, is interested and be counted in the quorum present at any meeting of the Directors or, if otherwise so entitled, at any General Meeting of the Company at which any such contract or arrangement is proposed or considered, and if he shall so vote, his vote shall be counted. This Article shall have effect in substitution for regulations 94 to 98 inclusive of Table A, which regulations shall not apply to the Company.

INDEMNITY

19. Subject to the provisions of s 310 of the Act, and in addition to such indemnity as is contained in regulation 118 of Table A, every Director, Secretary or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred by him in or about the execution and discharge of the duties of his office.

SECRETARY

20. The first Secretary or Secretaries of the Company shall be the person or persons named as such in the statement delivered under s 10 of the Act.