

Company Number 1149113

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**WRITTEN RESOLUTIONS**  
**OF**  
**AIREDALE CHEMICAL COMPANY LIMITED ("COMPANY")**

Circulated on 20 JUNE 2013

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolution is passed as a special resolution ("**Special Resolution**")

**SPECIAL RESOLUTION**

- 1 **THAT** the draft regulations attached to this special resolution and for the purposes of identification only marked "A" be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

**AGREEMENT**

Please read the notes at the end of this document before signifying your agreement to the Ordinary Resolutions and Special Resolution ("**Resolutions**")

The undersigned persons entitled to vote on the above Resolutions on  
20 JUNE 2013 hereby irrevocably agree to the Resolutions

Signed:



Richard Chadwick



Chris Chadwick



John Chadwick

.....  
Stephen Wilkinson



Executor of Brian Chadwick (Deceased)

Date:

20/6/ 2013

20/6/ 2013

20/6/ 2013

20/6/ 2013

20/6/ 2013



## NOTES

- 1 If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods
  - a **By Hand** delivering the signed and dated copy to the Company directors, or
  - b **Post** returning the signed and dated copy by post to the Company's registered office
- 2 If you do not agree to the Resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply
- 3 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement
- 4 Unless, by 17 JUL 2013, sufficient agreement has been received for the Resolutions to pass, it will lapse. If you agree to the Resolutions, please ensure that indicate your agreement and notify us as soon as possible
- 5 If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document

**Company Number: 01149113**

**THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION  
OF  
AIREDALE CHEMICAL COMPANY LIMITED  
(adopted by special resolution on 20 June 2013)**

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Company Number: 01149113

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**AIREDALE CHEMICAL COMPANY LIMITED**

(adopted by special resolution on 2013)

**1 Definitions and Interpretation**

**1.1** In these articles

**Act** means the Companies Act 2006 and any statutory modification or re-enactment of such act for the time being in force

**acting in concert** has the meaning ascribed to it by the City Code on Takeovers and Mergers as in force and construed at the date of adoption of these articles

**appointor** has the meaning given in article 18.1

**Auditors** means the auditors for the time being of the Company

**Board** means the board of directors of the Company or the directors present at a duly convened meeting of the board or a committee of the board

**Business Day** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks are open for business in the City of London

**call** has the meaning given in article 7.1

**call notice** has the meaning given in article 7.1

**Change of Control** means the acquisition (whether by purchase, transfer, renunciation or otherwise) by any person of any interest in any Shares if, upon completion of that acquisition, that person (**Third Party Purchaser**), together with persons acting in concert or connected with him, would hold or beneficially own more than 50% of the Shares

**Company's lien** has the meaning given in article 6.1

**Conflict** has the meaning given in article 17

**connected with** has the meaning given in section 1122 of the Corporation Taxes Act 2010

**eligible director** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter)

**Employee Trust** means a trust for the benefit of employees of, and any actual or proposed employee of, any member of the Group

**Executive** means any director or employee of or a consultant to the Company or any member of its Group

**Group** in relation to a company, that company, its subsidiaries any company of which it is a subsidiary (its holding company) and any other subsidiaries of any such holding company, and each company in a group is a member of the group

Unless the context otherwise requires, the application of the definition of Group to any company at any time will apply to the company as it is at that time

**holding company and subsidiary** mean a "holding company" and "subsidiary" as defined in section 1159 of the Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), by way of security or in connection with the taking of security, or (b) its nominee

**lien enforcement notice** has the meaning given in article 6 5

**Member** means any registered holder of Shares for the time being

**Model Articles** means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles

**Offer Notice** has the meaning given in article 11 8

**Parent Company** means Airedale Chemical Holdings Limited (company number 8368496) or such other Company as is the immediate holding company of the Company,

**Sale** means the making of one or more agreements (whether conditional or not) for an acquisition of the entire issued share capital of the Company or an Asset Sale

**Shares** means the ordinary shares of £1 00 each in the capital of the Company and **Share** means any one share of £1 00 in the capital of the Company

**Third Party Purchaser** has the meaning given in the definition of Change of Control and, where the relevant acquisition was effected by the renunciation of a renounceable letter of allotment, includes the relevant renouncee

**Valuers** means the auditors for the time being of the Company unless the auditors decline an instruction to report on Market Value when the Valuers for the purpose of that report shall be a firm of chartered accountants nominated by the Board for such purpose

**Vendor** has the meaning given in article 11 2

- 1 2 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by or are inconsistent with these articles and subject to any such modifications, exclusions or inconsistencies shall together with these articles constitute the articles of association of the Company to the exclusion of any other articles or regulations
- 1 3 Save as otherwise provided in these articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these articles Words and expressions defined elsewhere in these articles shall bear the meanings given to them there

- 1 4 A reference in these articles to a 'regulation' is a reference to the relevant article of the Model Articles and a reference to an article by number is to the particular article of these articles
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- 1 5 1 any subordinate legislation from time to time made under it, and
- 1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 In these articles, words importing a gender include every gender, references to the singular include the plural and references to persons include bodies corporate, unincorporated associations and partnerships
- 1 7 The headings in these articles shall not affect their construction.
- 1 8 If any date referred to in these articles is not a Business Day, it shall be taken to be a reference to the next Business Day after that date
- 2 Share capital**
- 2 1 The issued share capital of the Company at the date of the adoption of these Articles is £11,000 divided into 11,000 Shares
- 3 Further issues of Shares: authority**
- 3 1 Save to the extent authorised by these articles, or authorised from time to time by an ordinary resolution of the Members, the Board shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares in the Company
- 3 2 Subject to the remaining provisions of this article 3 and to article 4, the Board is generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to
- 3 2 1 offer or allot;
- 3 2 2 grant rights to subscribe for or to convert any security into,
- 3 2 3 otherwise deal in, or dispose of,
- any Shares in the Company to any person, at any time and subject to any terms and conditions as the Board thinks proper
- 3 3 The authority referred to in article 3 2
- 3 3 1 shall be limited to a maximum nominal amount of £1,000,
- 3 3 2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution, and
- 3 3 3 may only be exercised for a period of five years commencing on the date on which these articles are adopted, save that the Board may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the Board may allot Shares in pursuance of an offer or agreement as if such authority had not expired)

#### **4 Further issues of Shares: Pre-emption rights**

- 4 1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company
- 4 2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the Company has first offered them to the Parent Company on the date of the offer on the same terms, and at the same price. The offer shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities
- 4 3 Subject to articles 4 2 and to section 551 of the Act, any equity securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper
- 4 4 Without the prior written consent of the Board, no Shares shall be allotted to any employee, director, prospective employee or director of any member of the Group unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003

#### **5 Partly Paid Shares**

Regulation 21(1) of the Model Articles shall not apply to the Company, and Shares may be issued other than fully paid

#### **6 Liens**

- 6 1 The Company has a lien (**the Company's lien**) over every Share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him or his estate (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future
- 6 2 The Company's lien over a Share
- 6 2 1 takes priority over any third party's interest in that Share, and
- 6 2 2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share
- 6 3 The Board may at any time decide that a Share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part
- 6 4 Subject to the provisions of this article 6, if
- 6 4 1 a lien enforcement notice has been given in respect of a Share, and
- 6 4.2 the person to whom the notice was given has failed to comply with it,
- the Company may sell that Share, subject to article 8 7, in such manner as the Board decides
- 6 5 **A lien enforcement notice**
- 6 5 1 may only be given in respect of a Share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,



- 6 5 2 must specify the Share concerned,
- 6.5.3 must require payment of the sum within 10 clear Business Days of the notice (that is, excluding the date on which the notice is given and the date on which that 10 Business Day period expires),
- 6 5 4 must be addressed either to the holder of the Share or to a transmittee of that holder, and
- 6 5 5 must state the Company's intention to sell the Share if the notice is not complied with.
- 6 6 Where Shares are sold under this article 6
  - 6 6 1 the Board may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and
  - 6 6 2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- 6 7 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
  - 6 7 1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice; and
  - 6 7 2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Board has been given for any lost certificates, and subject to a lien equivalent to the Company's lien for any money payable (whether payable immediately or at some time in the future) as existed upon the Shares before the sale in respect of all Shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice
- 6.8 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a Share has been sold to satisfy the Company's lien on a specified date
  - 6 8 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - 6 8 2 subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the Share
- 7 Calls on shares and forfeiture**
  - 7 1 Subject to the articles and the terms on which Shares are allotted, the Board may send a notice (a **call notice**) to a Member requiring the Member to pay the Company a specified sum of money (a **call**) which is payable in respect of Shares which that Member holds at the date when the Board decides to send the call notice
  - 7 2 A call notice
    - 7 2 1 may not require a Member to pay a call which exceeds the total sum unpaid on that Member's Shares (whether as to the Share's nominal value or any amount payable to the Company by way premium),

- 7 2 2 must state when and how any call to which it relates is to be paid, and
- 7 2.3 may permit or require the call to be made in instalments
- 7 3 A Member must comply with the requirements of a call notice, but no Member is obliged to pay any call before 10 clear Business Days (that is, excluding the date on which the notice is given and the date on which that 10 Business Day period expires) have passed since the notice was sent
- 7 4 Before the Company has received any call due under a call notice the Board may
  - 7 4 1 revoke it wholly or in part, or
  - 7 4 2 specify a later time for payment than is specified in the notice,by a further notice in writing to the Member in respect of whose Shares the call is made.
- 7 5 Liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.
- 7 6 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share
- 7 7 Subject to the terms on which Shares are allotted, the Board may, when issuing Shares, provide that call notices sent to the holders of those Shares may require them
  - 7 7 1 to pay calls which are not the same, or
  - 7 7 2 to pay calls at different times
- 7 8 A call notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium)
  - 7 8 1 on allotment,
  - 7 8 2 on the occurrence of a particular event; or
  - 7 8 3 on a date fixed by or in accordance with the terms of issue
- 7 9 If the due date for payment of such sum identified in article 7.8 has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture
- 7 10 If a person is liable to pay a call and fails to do so by the call payment date
  - 7 10 1 the Board may issue a notice of intended forfeiture to that person, and
  - 7 10 2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate
- 7 11 For the purposes of this article 7
  - 7 11 1 the **call payment date** is the time when the call notice states that a call is payable, unless the Board gives a notice specifying a later date, in which case the **call payment date** is that later date, and
  - 7 11 2 the **relevant rate** is

- the rate fixed by the terms on which the Share in respect of which the call is due was allotted,
  - such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the Board, or
  - if no rate is fixed in either of these ways, 5 per cent per annum
- 7 12 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998
- 7 13 The Board may waive any obligation to pay interest on a call wholly or in part.
- 7 14 A notice of intended forfeiture
- 7 14 1 may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice,
- 7 14 2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder,
- 7 14.3 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 10 clear Business Days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 10 Business Day period expires),
- 7 14 4 must state how the payment is to be made, and
- 7 14 5 must state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited
- 7 15 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the Board may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture
- 7 16 Subject to the articles, the forfeiture of a Share extinguishes.
- 7 16 1 all interests in that Share, and all claims and demands against the Company in respect of it, and
- 7.16 2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company
- 7 17 Any Share which is forfeited in accordance with the articles
- 7 17 1 is deemed to have been forfeited when the Board decides that it is forfeited,
- 7 17.2 is deemed to be the property of the Company, and
- 7 17 3 may be sold, re-allotted or otherwise disposed of in accordance with article 8 7
- 7 18 If a person's Shares have been forfeited
- 7 18 1 the Company must send that person notice that forfeiture has occurred and record it in the register of Members,

- 7 18 2 that person ceases to be a member in respect of those Shares,
  - 7 18 3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation,
  - 7 18 4 that person remains liable to the Company for all sums payable by that person under the articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture), and
  - 7 18 5 the Board may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal
- 7 19 At any time before the Company disposes of a forfeited Share, the Board may decide to cancel the forfeiture on payment of all calls, interest and expenses due in respect of it and on such other terms as they think fit

## **8 Transfer of shares - general**

- 8 1 The Board shall not register the transfer of any Share or any interest in any Share unless the transfer
- 8 1 1 is made in accordance with article 9 (Permitted Transfer), or article 10 (Voluntary Transfers), or article 11 (Compulsory Transfers), or article 12 (Drag Along Option), or article 13 (Tag Along), and
  - 8 1 2 in any event, is not in favour of any infant, bankrupt, trustee in bankruptcy or person of unsound mind
- 8 2 For the purpose of ensuring that a transfer of Shares is in accordance with these articles or that no circumstances have arisen whereby a Member may be deemed to have given a Transfer Notice the Board may from time to time require any Member or any person named as transferee in any transfer lodged for registration to furnish to the Board such information and evidence as it or he requests for such purpose. If such information or evidence is not furnished to his or their reasonable satisfaction within a reasonable time after that request the Board may in their absolute discretion either
- 8 2 1 refuse to register the transfer in question, or
  - 8 2 2 where no transfer is in question, require by notice in writing to the Member(s) concerned that a Transfer Notice be given in respect of the Shares concerned within the period specified in that notice
- If such information or evidence discloses to the satisfaction of the Board in its absolute discretion that circumstances have arisen whereby a Member is bound to give or be deemed to have given a Transfer Notice the Board may in its absolute discretion by notice in writing to the Member concerned require that a Transfer Notice be given in respect of the Shares concerned within the period specified in that notice
- 8 3 An obligation to transfer a Share under these articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance
- 8 4 No arrangement shall be entered into by any Member whereby the terms upon which that Member holds any Shares are to be varied if as a result any interest in those Shares is varied, disposed of or created or extinguished, except by a transfer made in accordance with these articles or with the prior consent of the Board
- 8 5 Regulation 26(5) of the Model Articles shall not apply to the Company

8 6 For the avoidance of doubt, any reference to the Board in articles 8 and 9 shall exclude any director being, or being connected with, the relevant Vendor

8 7 Notwithstanding the provisions of articles 6 and 7, Shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with article 9 (Compulsory Transfers) as if a Deemed Transfer Notice were deemed given in respect of such Shares

Regulation 29 of the Model Articles shall be amended by the insertion of the words " , or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under regulation 28(2) of the Model Articles," after the words "the transmittee's name"

## 9 Permitted Transfer

### 9 1 Group Transfer

9 1 1 Any Shares held by a company (**Original Undertaking**) may be transferred to any other company (**Transferee Undertaking**) provided always that each and any such Transferee Undertaking is a holding company or a subsidiary of that Original Undertaking or of its holding company at the time of the transfer of the Shares

## 10 Voluntary transfers

10 1 Any Member (other than the Parent Company) (a **Vendor**) shall, before transferring or agreeing to transfer any Share or any interest in any Share, serve notice in writing (a **Transfer Notice**) on the Company of his wish to make that transfer unless the transfer is

10 1 1 made pursuant to article 9 (Permitted Transfers),

10 1 2 a transfer of Dragged Shares made pursuant to article 12 (Drag Along Option), or

10.1 3 a transfer made pursuant to acceptance of an offer made pursuant to article 13 (Tag Along Right)

10 2 In the Transfer Notice, the Vendor shall specify:

10 2 1 the number of Shares (**Sale Shares**) which he wishes to transfer,

10 2 2 the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares,

10 2 3 the price per share at which the Vendor wishes to transfer the Sale Shares (**Proposed Sale Price**),

10.2 4 any other terms relating to the transfer of the Sale Shares which are not prohibited by these articles including the date from which dividends on the Sale Shares shall accrue to the purchaser, and

10 2 5 whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this article 10 (a **Total Transfer Condition**)

10 3 Each Transfer Notice shall

10 3 1 relate to one class of Shares only,

10 3.2 constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of this article 10,

- 10 3 3 save as provided by article 10 5, be irrevocable, and
- 10 3 4 not be deemed to contain a Total Transfer Condition unless expressly stated otherwise
- 10 4 The Sale Shares shall be offered for purchase in accordance with this article 10 at a price per Sale Share (**Sale Price**) which either has been agreed between the Vendor and the Board or in default of agreement within 15 Business Days after the date of service of the Transfer Notice, the lower of
- 10 4 1 the Proposed Sale Price, and
- 10 4 2 if the Board elects within 20 Business Days after the date of service of the Transfer Notice to instruct Valuers for that purpose, the price per Share reported on by the Valuers as their written opinion of the open market value of each Sale Share in accordance with article 10 16 (**Market Value**) as at the date of service of the Transfer Notice
- 10 5 If the Market Value is reported on by the Valuers under article 10 4 2 to be less than the Proposed Sale Price specified in the Transfer Notice, the Vendor may revoke the Transfer Notice by written notice given to the Board within the period of 10 Business Days after the service on the Vendor of the Valuers' written opinion of the Market Value
- 10 6 The Board shall offer the Sale Shares to the Parent Company for purchase at the Sale Price within five Business Days of the Sale Price having been agreed or determined under article 10 4 or, if the Transfer Notice is capable of being revoked under article 10 5, within five Business Days after the expiry of the period for revocation in article 10 5 Where the relevant Transfer Notice contains a Total Transfer Condition and the Parent Company only wishes to acquire some and not all of the relevant Sale Shares, the Parent Company shall only agree to acquire such Sale Shares conditionally on the remainder of the Sale Shares being allocated to Members under the remaining provisions of this article 10 The Board shall as soon as practicable give notice in writing to the Vendor specifying the number of Sale Shares proposed to be acquired by the Parent Company, the aggregate price payable for them, and the time for completion of such sale and purchase, attaching the agreement or deed referred to in article 10 7 below Any Sale Shares neither sold nor agreed to be acquired under this article 10 5 within 30 Business Days of being offered to the Parent Company will be available for sale to the Members as set out below
- 10 7 A Vendor who is to sell shares to the Parent Company pursuant to article 10 5 will enter into an agreement or deed recording the sale in terms reasonably required by the Board within five Business Days of being asked to do so Any such agreement or deed can be subject to such conditions precedent as the Board may specify and will include warranties to be given by such Vendor in relation to the relevant Sale Shares that he has title to sell them and that they are free from encumbrances and other third party rights
- 10 8 The Board shall offer the Sale Shares which are neither sold nor agreed to be acquired under article 10 5 for purchase at the Sale Price by a written offer notice (**Offer Notice**) served on all Members other than the Vendor (and the Parent Company and any other Member who is then bound to give or deemed to have given a Transfer Notice in relation to which the procedures in these articles have not been completed) within five Business Days after the end of the period for the Company to acquire or agree to acquire Sale Shares under article 10 5 or, if earlier, within five Business Days after the Parent Company resolving that it will not accept any Sale Shares offered to it pursuant to article 10 5
- 10 9 An Offer Notice shall
- 10 9 1 specify the Sale Price,

- 10 9 2 expire 42 days after its service,
- 10 9 3 contain the other details included in the Transfer Notice, and
- 10 9 4 invite the relevant Members to apply in writing, before expiry of the Offer Notice, to purchase Sale Shares
- 10 10 After the expiry date of the Offer Notice (or, if earlier, upon responses being received from all relevant Members in accordance with article 10.9), the Board shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these articles and the Model Articles, save that.
- 10 10 1 if there are applications from Members for more than the total number of Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Sale Shares than the maximum number applied for by him) to the number of Shares then held by them respectively,
- 10 10 2 if it is not possible to allocate Sale Shares without involving fractions, those fractions shall be aggregated and allocated amongst the applicants in such manner as the Board thinks fit, and
- 10 10 3 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the available Sale Shares are allocated
- 10 11 The Board shall, within five Business Days after the expiry date of the Offer Notice or earlier allocation of all of the Sale Shares under article 10 10, give notice in writing (a **Sale Notice**) to the Vendor and to each person to whom Sale Shares have been allocated (each a **Purchaser**) specifying the name and address of each Purchaser, the number of Sale Shares allocated to him, the aggregate price payable for them, and the time for completion of each sale and purchase
- 10 12 Completion of a sale of Sale Shares to the Company shall take place at the registered office of the Company at the time specified in the notice given to the Vendor pursuant to article 10 5 or, where the Company has only conditionally agreed to acquire such Sale Shares under article 10 5, the relevant sale shall take place simultaneously with the sale of the remaining Sale Shares under article 10 13, when the Vendor shall, upon payment to him by the Company of the Sale Price in respect of the Sale Shares being acquired by the Company, transfer those Sale Shares and deliver (duly executed) the relevant deed or agreement referred to in article 10 7 above and the relative share certificates to the Company
- 10 13 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than one week nor more than two months after the date of the Sale Notice, unless agreed otherwise in relation to any sale and purchase by both the Vendor and the Purchaser concerned) when the Vendor shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relative share certificates (to the extent not handed over under article 10 12) to that Purchaser
- 10 14 The Vendor may, during the period falling between one and two months after the expiry date of the Offer Notice, sell any Sale Shares which have neither been sold nor agreed to be acquired under article 10 5 and for which a Sale Notice has not been given by way of bona fide sale to the proposed transferee (if any) named in the Transfer Notice at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that
- 10 14 1 the Board shall be entitled to refuse registration of the proposed transferee if he is believed by the Board to be a competitor or connected with a competitor of any

business of any member of the Group or a nominee of such a person or if the Board reasonably believes that his ownership of Shares would materially prejudice the interests of the Group, and

10 14 2 if the Transfer Notice contained a Total Transfer Condition, the Vendor shall not be entitled to sell only some of the Sale Shares under this article 10.

10 15 If a Vendor fails to transfer any Sale Shares when required pursuant to this article 10, or (if appropriate) fails to execute and deliver to the Company the relevant deed or agreement referred to in article 10 7 above, the Board may authorise any person (who shall be deemed to be the attorney of the Vendor for the purpose) to execute the necessary transfer of such Sale Shares (or deed or agreement) and deliver it on the Vendor's behalf. The Company shall (at the direction of the Board) receive the purchase money for the Sale Shares from the relevant purchaser and shall, upon receipt of the duly stamped transfer, register the relevant purchaser as the holder of those Sale Shares. In respect of Sale Shares to be acquired by it, the Company shall, upon delivery of the relevant deed or agreement referred to in article 10 7 above, cancel the relevant Sale Shares. The Company shall hold the purchase money in a separate bank account on trust for the Vendor but shall not be bound to earn or pay interest on any money so held. The Company's receipt for the purchase money shall be a good discharge to the relevant purchaser (who shall not be concerned to see to the application of it). After the name of the relevant purchaser has been entered in the register of Members (or, if applicable, the relevant Sale Shares have been cancelled) in purported exercise of the power conferred by this article 10, the validity of that exercise shall not be questioned by any person.

10 16 If instructed to report on their opinion of Market Value under article 10 4 2, the Valuers shall.

10 16 1 act as expert and not as arbitrator and their written determination shall be final and binding on the Members, save in the case of manifest error, and

10 16 2 proceed on the basis that

- the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the Shares, divided by the number of Shares then in issue,
- there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares, and
- any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit in their absolute discretion.

10 17 The Company will use its best endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and the Vendor within 20 Business Days of the Board electing to instruct them under article 10 4 2.

10 18 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as to one half by the Vendor and as to the other half by the relevant purchasers in proportion to the number of Sale Shares purchased by them unless

10.18 1 the Vendor revokes the Transfer Notice pursuant to article 10 5, or

10 18 2 none of the Sale Shares are purchased pursuant to this article 10,

when the Vendor shall pay all the Valuers' fees



## **11 Compulsory transfers**

**11 1** In this article 11, a Transfer Event means, in relation to any Member

**11.1 1** a Member who is an Executive

- becoming bankrupt, or
- dying, or
- suffering from mental disorder and being admitted to hospital or becoming a patient for any purpose of any enactment relating to mental health,

and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article;

**11 1 2** a Member who is an Executive making any arrangement or composition with his creditors generally, in which case the Board shall notify the Company within 3 months after becoming aware of the Transfer Event in relation to that Member for the purposes of this article,

**11 1 3** a Member who is or was an Executive ceasing to hold such office or employment,

**11 1 4** a Member who is or was an Executive attaining the age of 75

**11 2** Upon the happening of any Transfer Event, the Member in question (the **Vendor**) shall be deemed to have given a notice in respect of all the Shares then held by them offering to sell such shares (a **Deemed Transfer Notice**)

**11 3** Notwithstanding any other provision of these articles, any Member holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares between the date of the relevant Deemed Transfer Notice and the expiry of one month after the date of the Sale Notice given in respect of those Shares or, if earlier, the entry in the register of members of the Company of another person as the holder of those Shares or the cancellation of such Shares

**11 4** The Shares the subject of any Deemed Transfer Notice (**Sale Shares**) shall be offered for sale in accordance with this article 9 on the basis that

**11 4 1** a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date of the first meeting of the Board at which details of the facts or circumstances giving rise to the Deemed Transfer Notice are tabled,

**11 4 2** they shall be offered for sale at a sum equal to the Market Value (**Sale Price**),

**11 4 3** a Deemed Transfer Notice shall be irrevocable,

**11 4 4** a Deemed Transfer Notice shall constitute the Company as the agent of the Vendor for the sale of the Sale Shares,

**11 4 5** the Vendor may retain any Sale Shares not sold or repurchased pursuant to article 11 5 or article 11 6 or for which Purchasers are not found, and

**11 4 6** the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date

- 11 5 The Board shall offer the Sale Shares to the Parent Company for purchase at the Sale Price, subject to the provisions of the Act. The Board shall as soon as practicable give notice in writing to the Vendor specifying the number of Sale Shares proposed to be acquired by Parent Company and the time for completion of such sale and purchase, attaching the agreement or deed referred to in article 11 7 below. Any Sale Shares neither sold nor agreed to be acquired under this article 11 5 within 30 Business Days of being offered to the Parent Company will be available for sale in accordance with article 11 6.
- 11 6 Subject to article 11 5, if the Parent Company does not purchase the shares in accordance with article 11 5 the Board shall offer the Sale Shares to the Company for purchase at the Sale Price, subject to the provisions of the Act. The Board shall as soon as practicable give notice in writing to the Vendor specifying the number of Sale Shares proposed to be acquired by the Company and the time for completion of such sale and purchase, attaching the agreement or deed referred to in article 11 7 below. Any Sale Shares neither sold nor agreed to be acquired under this article 11 6 within 30 Business Days of being offered to the Company will be available for sale to the Members as set out below.
- 11 7 A Vendor who is to sell shares to the Parent Company or the Company pursuant to article 11 6 will enter into an agreement or deed recording the sale in terms reasonably required by the Board within five Business Days of being asked to do so. Any such agreement or deed can be subject to such conditions precedent as the Board may specify and will include warranties to be given by such Vendor in relation to the relevant Sale Shares that he has title to sell them and that they are free from encumbrances and other third party rights.
- 11 8 The Board shall offer the Sale Shares which are neither sold nor agreed to be acquired under article 11 6 for purchase at the Sale Price by a written offer notice (**Offer Notice**) served on all Members other than the Vendor within five Business Days after the end of the period for the Company to acquire or agree to acquire Sale Shares under article 11.6 or, if earlier, within five Business Days after the Board resolving that the Company will not accept any Sale Shares offered to it pursuant to article 11 6.
- 11 9 An Offer Notice shall
- 11 9 1 specify the Sale Price,
- 11 9 2 expire 42 days after its service; and
- 11 9 3 invite the relevant Members to apply in writing, before expiry of the Offer Notice, to purchase Sale Shares.
- 11 10 After the expiry date of the Offer Notice (or, if earlier, upon responses being received from all relevant Members in accordance with article 11 9), the Board shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these articles and the Model Articles, save that
- if there are applications from Members for more than the total number of Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Sale Shares than the maximum number applied for by him) to the number of Shares then held by them respectively, and
  - if it is not possible to allocate Sale Shares without involving fractions, those fractions shall be aggregated and allocated amongst the applicants in such manner as the Board thinks fit.
- 11 11 The Board shall, within five Business Days after the expiry date of the Offer Notice or earlier allocation of all of the Sale Shares under article 11 10, give notice in writing (a

**Sale Notice**) to the Vendor and to each person to whom Sale Shares have been allocated (each a **Purchaser**) specifying the name and address of each Purchaser, the number of Sale Shares allocated to him, the aggregate price payable for them, and the time for completion of each sale and purchase

- 11 12 Completion of a sale of Sale Shares to the Company shall take place at the registered office of the Company at the time specified in the notice given to the Vendor pursuant to article 11 6 or, where the Company has only conditionally agreed to acquire such Sale Shares under article 11 6, the relevant sale shall take place simultaneously with the sale of the remaining Sale Shares under article 11 11, when the Vendor shall, upon payment to him by the Company of the Sale Price in respect of the Sale Shares being acquired by the Company, transfer those Sale Shares and deliver (duly executed) the relevant deed or agreement referred to in article 11 7 above and the relative share certificates to the Company
- 11 13 Completion of a sale and purchase of Sale Shares to members (including the Parent Company) pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than one week nor more than two months after the date of the Sale Notice, unless agreed otherwise in relation to any sale and purchase by both the Vendor and the Purchaser concerned) when the Vendor shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relative share certificates (to the extent not handed over under article 11 12) to that Purchaser.
- 11 14 If a Vendor fails to transfer any Sale Shares when required pursuant to this article 11, or (if appropriate) fails to execute and deliver to the Company the relevant deed or agreement referred to in article 11 7 above, the Board may authorise any person (who shall be deemed to be the attorney of the Vendor for the purpose) to execute the necessary transfer of such Sale Shares (or deed or agreement) and deliver it on the Vendor's behalf The Company shall (at the direction of the Board) receive the purchase money for the Sale Shares from the relevant purchaser and shall, upon receipt of the duly stamped transfer, register the relevant purchaser as the holder of those Sale Shares In respect of Sale Shares to be acquired by it, the Company shall, upon delivery of the relevant deed or agreement referred to in article 11 7 above, cancel the relevant Sale Shares The Company shall hold the purchase money on trust for the Vendor but shall not be bound to earn or pay interest on any money so held The Company's receipt for the purchase money shall be a good discharge to the relevant purchaser (who shall not be concerned to see to the application of it) After the name of the relevant purchaser has been entered in the register of Members (or, if applicable, the relevant Sale Shares have been cancelled) in purported exercise of the power conferred by this article 11, the validity of that exercise shall not be questioned by any person

## **12 Drag Along Option**

- 12.1 If any one or more Members (together the **Selling Shareholders**) wish to transfer on arms length terms any interest in more than 80% of the issued Shares where that transfer would result in a Change of Control, the Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of Shares to transfer all their Shares to the Third Party Purchaser or as the Third Party Purchaser directs in accordance with this article 12
- 12 2 The Selling Shareholders may exercise the Drag Along Option by giving notice to that effect (a **Drag Along Notice**) to all other Members (**Dragged Shareholders**) at any time before the transfer of Shares resulting in the Change of Control A Drag Along Notice shall specify that the Dragged Shareholders are required to transfer all their Shares (**Dragged Shares**) pursuant to article 12 1, the price at which the Dragged Shares are to be transferred (calculated in accordance with article 12 4) and the proposed date of transfer

- 12 3 A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations under it will lapse if for any reason there is not a Change of Control caused by a transfer of Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of the Drag Along Notice
- 12 4 A Drag Along Notice will require each Shareholder to sell his Shares at the price per Share at which the relevant transfer of Shares referred to in article 12 1 takes place
- 12 5 Completion of the sale of the Dragged Shares under this article 12 shall take place at the registered office of the Company at the time specified in the Drag Along Notice (as reserved, if applicable), being not less than five Business Days after the Drag Along Notice, when each Dragged Shareholder shall, upon payment to him of the relevant sale consideration due in respect of his Dragged Shares, transfer those Shares and deliver the relative share certificates to the Offeror or as it shall direct
- 12 6 If a Member fails to transfer any Shares when required pursuant to this article 12, the Board may authorise any person (who shall be deemed to be the attorney of the relevant Member for the purpose) to execute the necessary transfer of such Shares and deliver it on the Member's behalf The Company shall (at the direction of the Board) receive the purchase money for the relevant Shares from the relevant purchaser and shall, upon receipt of the duly stamped transfer, register the relevant purchaser as the holder of those Shares The Company shall hold the purchase money on trust for the relevant Member but shall not be bound to earn or pay interest on any money so held The Company's receipt for the purchase money shall be a good discharge to the relevant purchaser (who shall not be concerned to see to the application of it) After the name of the relevant purchaser has been entered in the register of Members in purported exercise of the power conferred by this article, the validity of that exercise shall not be questioned by any person

### **13 Tag along**

- 13 1 If at any time one or more Members (**Proposed Sellers**) propose to sell, in one or a series of related transactions, a majority in nominal value of Shares (**Majority Holding**) to any person, other than pursuant to article 9 (**Permitted Transfer**), the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this article
- 13 2 The Proposed Sellers shall give written notice (**Proposed Sale Notice**) to the other holders of the equity share capital in the Company of such intended sale at least ten Business Days prior to the date thereof The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (**Proposed Buyer**), the purchase price and other terms and conditions of payment, the proposed date of sale (**Proposed Sale Date**) and the number of Shares proposed to be purchased by the Proposed Buyer (**Proposed Sale Shares**)
- 13 3 Any other holder of equity share capital in the Company shall be entitled, by written notice given to the Proposed Sellers within five Business Days of receipt of the Proposed Sale Notice, to be permitted to sell all of his Shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice
- 13 4 If any other holder of equity share capital in the Company is not given the rights accorded him by the provisions of this article, the Proposed Sellers shall be required not to complete their sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect

### **14 Appointment of directors**

- 14 1 Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall not be less than one and if and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these articles or the Model Articles

14 2 A person shall cease to be a director if

14 2 1 (being an Executive) he ceases to be employed by any member of the Group (and as a consequence is no longer an employee of any member of the Group) save where the Board agrees in writing otherwise, or

14 2 2 if a majority of the Board (excluding that director in calculating such majority, but in any event constituting more than one person) so requires

Regulation 18 of the Model Articles shall be extended accordingly

**15 Directors: Decision-Making by Directors**

15 1 Regulation 7 of the Model Articles shall be amended by

15 1 1 the insertion of the words "for the time being" at the end of regulation 7(2)(a), and

15.1 2 the insertion in regulation 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"

15 2 A decision of the Board is taken in accordance with this article 15.2 when all eligible directors indicate to each other that they share a common view on a matter. Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.

15 3 A decision may not be taken in accordance with article 15 2 if the eligible directors would not have formed a quorum at such a meeting

15 4 Any director may call a meeting of the Board by giving not less than three Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice. Notice of a directors' meeting shall be given to each director in writing

15 5 Subject to article 15 6, the quorum for the transaction of business at a meeting of Board is any two eligible directors

15 6 For the purpose of any meeting (or part of a meeting) held pursuant to article 17 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.

15 7 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision

15 7 1 to appoint further directors, or

15 7 2 to call a general meeting so as to enable the Members to appoint further directors

15 8 If within half an hour of the time appointed for the holding of any meeting of the Board a quorum is not present, or if during the meeting a quorum ceases to be present, the director(s) present shall resolve to adjourn that meeting to a specified place and time (which shall not be earlier than three nor later than five Business Days after the date of such meeting). The Company shall give notice to each director who did not attend such meeting requiring him either to attend the adjourned meeting of the Board or to state in writing his view on the matters to be discussed at that meeting. If any director having received such notice fails to attend such adjourned meeting, the quorum necessary for the transaction of the business of the Board shall be any director

15.9 If the numbers of votes for and against a proposal at a meeting of Board are equal, the chairman or other director chairing the meeting shall have a casting vote.

15 10 Where decisions of the Board are taken by electronic means, such decisions shall be recorded by the Board in permanent form, so that they may be read with the naked eye

## **16 Transactions or other arrangements with the Company**

16 1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether director or indirectly, interested in an existing or proposed transaction or arrangement with the Company

16 1 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,

16 1 2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,

16 1 3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,

16 1 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,

16 1 5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and

16 1 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

## **17 Directors' conflicts of interest**

17 1 The Board may, in accordance with the requirements set out in this article 17, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid a conflict of interest (**Conflict**)

17.2 Any authorisation under this article 17 will be effective only if

17 2 1 the matter in question shall have been proposed by any director for consideration at a meeting of the Board in the same way that any other matter may be proposed to the Board under the provisions of these articles or in such other manner as the Board may determine,

17.2 2 any requirement as to the quorum at the meeting of the Board at which the matter is considered is met without counting the director in question, and

- 17 2 3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted
- 17 3 Any authorisation of a Conflict under this article 17 may (whether at the time of giving the authorisation or subsequently)
- 17 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,
- 17 3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Board may determine; and
- 17 3 3 be terminated or varied by the Board at any time
- This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation
- 17 4 In authorising a Conflict the Board may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to
- 17 4 1 disclose such information to the Board or to any director or other officer or employee of the Company, or
- 17 4 2 use or apply any such information in performing his duties as a director,
- where to do so would amount to a breach of that confidence
- 17 5 Where the Board authorises a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director
- 17 5 1 is excluded from discussions (whether at meetings of the Board or otherwise) related to the Conflict,
- 17 5 2 is not given any documents or other information relating to the Conflict, and
- 17 5 3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of the Board in relation to any resolution relating to the Conflict
- 17 6 Where the Board authorises a Conflict
- 17 6 1 the director will be obliged to conduct himself in accordance with any terms imposed by the Board in relation to the Conflict, and
- 17 6 2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Board imposes in respect of its authorisation
- 17 7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Board or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

**18 Alternate directors**

- 18.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the Board, to
- 18.1.1 exercise that director's powers; and
  - 18.1.2 carry out that director's responsibilities,
- in relation to the taking of decisions by the Board, in the absence of the alternate's appointor
- 18.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Board
- 18.3 The notice must
- 18.3.1 identify the proposed alternate, and
  - 18.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice
- 18.4 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the Board as the alternate's appointor
- 18.5 Except as the articles specify otherwise, alternate directors.
- 18.5.1 are deemed for all purposes to be directors,
  - 18.5.2 are liable for their own acts and omissions,
  - 18.5.3 are subject to the same restrictions as their appointors, and
  - 18.5.4 are not deemed to be agents of or for their appointors,
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member
- 18.6 A person who is an alternate director but not a director
- 18.6.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
  - 18.6.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
  - 18.6.3 shall not be counted as more than one director for the purposes of articles 18.6.1 and 18.6.2
- 18.7 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present
- 18.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's



appointor's remuneration as the appointor may direct by notice in writing made to the Company

**18 9 An alternate director's appointment as an alternate terminates**

18 9 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

18 9 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,

18 9 3 on the death of the alternate's appointor, or

18 9 4 when the alternate's appointor's appointment as a director terminates

**19 Secretary**

The Board may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they think fit and from time to time remove such person and, if the Board so decides, appoint a replacement, in each case by a decision of the Board

**20 Directors' expenses**

Regulation 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur"

**21 General meetings**

21 1 Subject to article 21 2, the quorum at any general meeting of the Company shall be two qualifying persons (as defined in section 318 of the Act) present at the general meeting, except when the Company has only one Member, when the quorum shall be one such qualifying person

21 2 Where a general meeting is adjourned under regulation 41 of the Model Articles because a quorum is not present or if during a meeting a quorum ceases to be present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall form a quorum, and regulation 41 shall be modified accordingly

21 3 A poll may be demanded at any general meeting by any qualifying person present and entitled to vote at the meeting

21 4 Regulation 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that regulation

21 5 Regulation 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"

21 6 Regulation 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Board, in its discretion, accepts the notice at any time before the meeting" as a new paragraph at the end of that regulation

## **22 Means of communication to be used**

22 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

22 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 24 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

22 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

22 1 3 if properly addressed and sent or supplied by electronic means, six hours after the document or information was sent or supplied, and

22 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this article 22, no account shall be taken of any part of a day that is not a Business Day, save for the purposes of determining whether sufficient notice of a general meeting has been given

22 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

## **23 Indemnity**

23 1 Subject to article 23 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

23 1 1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer

- in the actual or purported execution and/or discharge of his duties, or in relation to them, and
- in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs, and

23.1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 23 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

23 2 This article 23 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

23 3 In this article 23

23 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

23 3 2 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)

## **24 Insurance**

24 1 The Board may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss

24 2 In this article 24

24 2 1 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act),

24 2 2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and

24 2 3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

## **25 Objects**

The Company's objects are unrestricted

## **26 Liability of Members**

The liability of the Members is limited

## 11 Compulsory transfers

11 1 In this article 11, a Transfer Event means, in relation to any Member

11 1 1 a Member who is an Executive

- becoming bankrupt, or
- dying, or
- suffering from mental disorder and being admitted to hospital or becoming a patient for any purpose of any enactment relating to mental health,

and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article,

11 1.2 a Member who is an Executive making any arrangement or composition with his creditors generally, in which case the Board shall notify the Company within 3 months after becoming aware of the Transfer Event in relation to that Member for the purposes of this article,

11 1.3 a Member who is or was an Executive ceasing to hold such office or employment,

11 2 Upon the happening of any Transfer Event, the Member in question (the Vendor) shall be deemed to have given a notice in respect of all the Shares then held by them offering to sell such shares (a **Deemed Transfer Notice**) *11.1.4 a Member who is or was an Executive attaining the age of 75.*

11 3 Notwithstanding any other provision of these articles, any Member holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares between the date of the relevant Deemed Transfer Notice and the expiry of one month after the date of the Sale Notice given in respect of those Shares or, if earlier, the entry in the register of members of the Company of another person as the holder of those Shares or the cancellation of such Shares

11 4 The Shares the subject of any Deemed Transfer Notice (**Sale Shares**) shall be offered for sale in accordance with this article 9 on the basis that

11 4 1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date of the first meeting of the Board at which details of the facts or circumstances giving rise to the Deemed Transfer Notice are tabled,

11 4.2 they shall be offered for sale at a sum equal to the Market Value (**Sale Price**),

11 4.3 a Deemed Transfer Notice shall be irrevocable,

11 4 4 a Deemed Transfer Notice shall constitute the Company as the agent of the Vendor for the sale of the Sale Shares,

11 4 5 the Vendor may retain any Sale Shares not sold or repurchased pursuant to article 11 5 or article 11 6 or for which Purchasers are not found, and

11 4 6 the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date