



PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

BIRCH LIMITED

CONSTITUTION



- 1 The Company is a private company subject to the provisions of the Companies Act 2006 and of these Articles of Association and of the Regulations contained in Table A, set out in Statutory Instrument 1985 No 805 as amended by Statutory Instrument 1985 No 1052 (hereinafter referred to as "Table A") with the exception of Regulations 2, 3, 5, 23, 24, 40, 41, 53, 64 to 69 (inclusive), 73 to 87 (inclusive), 93 and 118 of Table A, and of any other Regulations which are inconsistent with the additions and modifications hereinafter set forth

SHARE CAPITAL

- 2 The share capital of the Company is restricted to £3,762,735 73 divided into 2,800,000 "A" Preference Shares of £1 each, 850,000 "B" Preference Shares of £1 each, 110,295 "A" Ordinary Shares of 10p each, 522,114 Ordinary Shares of 10p each, 64,279 "C" Ordinary Shares of 10p each and 4,306,693 "C" Ordinary Shares of 1p each

For the purposes of these articles and for determining the rights attaching to each class of shares

- as between the Ordinary Shares of 10p, the "C" Ordinary Shares of 10p and the "C" Ordinary Shares of 1p and any other class of shares, the Ordinary Shares of 10p, the "C" Ordinary Shares of 10p and the "C" Ordinary Shares of 1p shall together be treated as one class of shares and where the context so requires references in these articles to Ordinary Shares shall be deemed to include the "C" Ordinary Shares of 10p and the "C" Ordinary Shares of 1p,
- as between the Ordinary Shares of 10p and the "C" Ordinary Shares of 10p and the "C" Ordinary Shares of 1p, the "C" Ordinary Shares of 10p and the "C" Ordinary Shares of 1p shall be treated as one class of shares, the fact that they comprise shares of different nominal values being disregarded,
- as between the Ordinary Shares of 1p and the "C" Ordinary Shares of 10p and the "C" Ordinary Shares of 1p, the "C" Ordinary Shares of 10p and the "C" Ordinary Shares of 1p shall be entitled together to 9% of the rights attributable to the equity share capital of the Company (i.e. excluding any rights attributable to the "A" Preference Shares of £1, and the "B" Preference Shares of £1) and the Ordinary Shares shall

be entitled to receive the balance of the entitlement due to the holders of Ordinary Shares and "C" Ordinary Shares as a class

3 The rights attaching to the respective classes of shares shall be as follows -

3 1 **Income**

The profits of the Company available for distribution shall be applied as follows -

- 3 1.1 first in paying to the holder of the 'A' Preference Shares a fixed cumulative preferential net cash dividend (hereinafter in these articles referred to as "the 'A' Preference Dividend") of 9 pence per annum on each share, all such dividends to be payable half-yearly on the 1st April and the 1st October
- 3 1 2 second in paying to the holders of the 'B' Preference Shares a fixed cumulative preferential net cash dividend (hereinafter in these articles referred to as "the 'B' Preference Dividend") of 9 pence per annum on each share, all such dividends to be payable half-yearly on 1st April and 1st October
- 3 1 3 third in paying to the holders of the "A" Ordinary Shares a fixed cumulative preferential net cash dividend (hereinafter in these articles referred to as 'the Fixed Dividend') of 9 per cent per annum of the subscription price (being the aggregate of the amount paid up or credited as paid up in respect of the nominal value of the share and any share premium thereon) paid on each share, all such dividends to be payable half yearly on the 1st April and the 1st October
- 3 1 4 fourth in paying to the holders of the "A" Ordinary Shares as a class in respect of each financial year of the Company a cumulative preferential net cash dividend (hereinafter in these articles referred to as 'the Participating Dividend') of a sum which when added to the total of the Fixed Dividend payable in respect of that year is equal to 7% of the Net Profit (calculated as hereinafter provided) of the Company and its subsidiaries for the relevant financial year The Participating Dividend (if any) shall be paid not later than 4 months after the end of each successive accounting reference period of the Company or not later than 14 days after the audit report on the accounts of the Company for such period is signed by the Company's auditors, whichever is earlier

For the purpose of calculating the Participating Dividend, the expression 'Net Profit' shall mean the net profit of the Company and its subsidiaries calculated in the historical cost accounting basis and shown in the audited consolidated profit and loss account of the Company and its subsidiaries for the relevant financial year (to the nearest £1) -

- 3 1 4 1 before any payment or provision is made for any dividend on any share in the capital of the Company or any of its

subsidiaries or for any other distribution or for the transfer of any sum to reserve and before making any provision for writing off goodwill or charging or crediting exceptional or extraordinary items,

- 3 1 4 2 before deducting any corporation tax (or any other tax levied upon or measured by reference to profit or gains) on the profits earned and gains realised by the Company and its subsidiaries
- 3 1 5 No dividend shall be declared or paid to the holders of Ordinary Shares in respect of any financial year of the Company unless and until the 'A' Preference Dividend the 'B' Preference Dividend the Fixed Dividend and the Participating Dividend (if any) have been paid in full in respect of that financial year and in respect of all previous financial years of the Company and all 'A' Preference Shares and all 'B' Preference Shares which have fallen due for redemption have been redeemed but subject thereto the profits which the Company may determine to distribute in respect of any financial year shall be applied -
- 3 1 5 1 first in paying to the holders of the Ordinary Shares a dividend for such year of an amount not exceeding 1/5 8th (i.e. 17 2413%) of the gross profits available for distribution,
- 3 1 5 2 second with the prior written consent of the "A" Ordinary Shareholders in distributing the balance of such profits amongst the holders of the "A" Ordinary Shares and the Ordinary Shares (pari passu) as if the same constituted one class of share
- 3 1 6 Every dividend shall be distributed to the appropriate shareholders pro-rata according to the amounts paid up or credited as paid up on the shares held by them respectively and shall accrue on a daily basis
- 3 1 7 Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Companies Act 2006, the 'A' Preference Dividend, the 'B' Preference Dividend, the Fixed Dividend and the Participating Dividend shall (notwithstanding regulations 102 to 108 inclusive contained in Table A or any other provision of these articles and in particular notwithstanding that there has not been a recommendation of the directors or resolution of the Company in general meeting) be paid immediately on the due date and if not then paid shall be a debt due by the Company and be payable in priority to any other dividend, provided that if due to delays in the preparation of the audited accounts of the Company the Participating Dividend cannot be calculated by the date it is due for payment then there shall be paid forthwith an interim dividend in respect of the Participating Dividend of a sum equal to the last Participating Dividend payable

- 3 1 8 The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of the 'A' Preference Dividend, the 'B' Preference Dividend, the Fixed Dividend and the Participating Dividend

3 2 Capital

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied as follows -

- 3 2 1 first in paying to the holders of the 'A' Preference Shares £1 per share together with a sum equal to any arrears or accruals of the 'A' Preference Dividend calculated down to the date of the return of capital,
- 3 2 2 second in paying to the holders of the 'B' Preference Shares £1 per share together with a sum equal to any arrears or accruals of the 'B' Preference Dividend calculated down to the date of the return of capital,
- 3 2 3 third in paying to the holders of the "A" Ordinary Shares £1 per share together with a sum equal to any arrears, deficiency or accruals of the dividends on the "A" Ordinary Shares calculated down to the date of the return of capital,
- 3 2 4 fourth in paying to the holders of Ordinary Shares per share a sum equal to the amount of capital paid on each "A" Ordinary Share, and
- 3 2 5 the balance of such assets shall be distributed amongst the holders of the "A" Ordinary Shares and Ordinary Shares (pari passu as if the same constituted one class of share) in proportion to the amounts paid up or credited as paid up on the "A" Ordinary Shares and Ordinary Shares held by them respectively

3 3 Conversion

The holders of the "A" Ordinary Shares may at any time convert the whole of their "A" Ordinary Shares into a like number of Ordinary Shares and the following provisions shall have effect -

- 3 3 1 the conversions shall be effected by notice in writing given to the Company signed by the holders of a 75% majority of the "A" Ordinary Shares and the conversion shall take effect immediately upon the date of delivery of such notice to the Company,
- 3 3 2 forthwith thereafter the holders of the Ordinary Shares resulting from the conversion shall send to the Company the certificates in respect of their respective holdings of "A" Ordinary Shares and the Company

shall issue to such holders respectively certificates for the Ordinary Shares resulting from the conversion,

- 3 3 3 the Ordinary Shares resulting from the conversion shall rank from the date of conversion *pari passu* in all respects with the remaining Ordinary Shares in the capital of the Company,
- 3 3 4 on the date of conversion the Company shall pay a dividend to the holders of the "A" Ordinary Shares of a sum equal to any arrears, deficiency or accruals of the dividends on the "A" Ordinary Shares calculated on a daily basis to the date of conversion and the Participating Dividend shall be calculated *pro rata* according to the profits of the Company and its subsidiaries for the relevant financial year down to the date of such conversion such profits to be calculated by the Company on a basis acceptable to the holders of the "A" Ordinary Shares

3 4 Redemption

- 3 4 1 Subject to the provisions of the Companies Act 2006 the 'A' Preference Shares shall be redeemed in the proportions and on the dates set out below -

<u>Redemption Date</u>	<u>Number of 'A' Preference Shares redeemable</u>
1st October 2000	900,000
1st October 2001	900,000
1st October 2002	<u>1,000,000</u>
	2,800,000

and subject to the redemption of all the 'A' Preference Shares the 'B' Preference Shares shall be redeemed on 1st October 2002 Any shares not redeemed upon the due date shall be redeemed forthwith upon redemption becoming permissible under the Companies Act 2006

- 3 4 2 Subject to the provisions of the Companies Act 2006 the Company may with the prior written consent of the holders of 75% of the 'A' Preference Shares in multiples of 50,000 shares redeem any or all of the 'A' Preference Shares or the 'B' Preference Shares in advance of the due date for redemption and in the absence of any contrary agreement between such holders and the Company any partial early redemption shall be deemed to relate to the shares falling due for redemption in inverse order of maturity
- 3 4 3 Subject to the provisions of the Companies Act 2006 all of the 'A' Preference Shares and all of the 'B' Preference Shares shall (unless the holders of 75% of the 'A' Preference Shares give notice in writing to the Company to the contrary) be redeemed immediately upon any of the following dates -

- 3 4 3 1 the date upon which any of the Equity Shares (as hereinafter defined in Article 9.1) of the Company is admitted to the

Official List of the Stock Exchange of permission for any of the Equity Shares of the Company to be dealt in on the Alternative Investment Market or any other recognised investment exchange (as defined in Section 285 of the Financial Services and Markets Act 2000) or other approval exchange becomes effective, or

- 3 4 3 2 the date upon which a successful offer to purchase 50% or more of the issued Equity Shares of the Company (or 50% or more of all such capital including any already held by the offeror) is completed
- 3 4 4 On the dates fixed for any redemption the Company shall pay to each registered holder of 'A' Preference Shares or 'B' Preference Shares (as appropriate) the amount payable in respect of such redemption and upon receipt of that amount each such holder shall surrender to the Company the certificate for his shares which are to be redeemed in order that they may be cancelled provided that if any certificate so surrendered includes any shares not redeemable at that time the Company shall issue a fresh certificate for the balance of the shares not redeemable to the holder
- 3 4 5 The Company shall pay on each of the 'A' Preference Shares or 'B' Preference Shares (as appropriate) so redeemed the sum of £1 and shall contemporaneously pay any arrears or accruals of the 'A' Preference Dividend or 'B' Preference Dividend (as appropriate) calculated to the date of redemption and in the absence of any direction to the contrary by the holder of the relevant 'A' Preference Share or 'B' Preference Share (as appropriate) any moneys paid on redemption of such share shall relate first to the said arrears and accruals of the 'A' Preference Dividend or 'B' Preference Dividend (as appropriate) The 'A' Preference Dividend or 'B' Preference Dividend (as appropriate) shall cease to accrue from the date of payment of the appropriate redemption moneys
- 3 4 6 The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time declare and pay to the Company such dividends as are necessary to permit lawful and prompt redemption by the Company of the 'A' Preference Shares or 'B' Preference Shares (as appropriate)
- 4 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of a 75% majority of the issued shares of that class
- 5 Any shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed
- 6 Subject to the provisions of the Companies Act 2006 and of every other

statute for the time being in force concerning companies and affecting the Company and to any direction to the contrary that may be given by ordinary resolution of the Company, all the unissued shares (including any redeemable shares) of the Company (whether forming part of the existing or any increased capital) shall be at the disposal of the Directors, who may offer, allot, issue, grant options or rights over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions and with such preferred, deferred or other special rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Directors may determine, but so that no shares shall be issued at a discount.

- 7 The Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. The Company shall however be entitled to register trustees as such in respect of any shares

THE SEAL

- 8 In Regulation 1 of Table A the words "the common seal of the Company" shall be omitted and the words "any seal for the time being adopted by the Company as its common seal" shall be inserted after the words "'the Seal' means"
- 9 Regulation 6 of Table A shall be modified by adding after "Every certificate shall be sealed with the seal" the words "or executed in such other manner as the directors authorise, having regard to the Companies Act 2006"

LIEN

- 10 In Regulation 8 of Table A the words "(not being a fully paid share)" shall be omitted and the words "and the Company shall also have a first and paramount lien on all shares standing registered in the name of a single person or in the name of any person jointly with another or others for all monies presently payable by him or any of them or his estate or their estates to the Company" shall be inserted after the words "in respect of that share".

CALLS ON SHARES

- 11 In Regulation 12 of Table A the words "save in the case of a call deemed to have been made in terms of Regulation 16 which call shall be irrevocable" shall be inserted after the words "postponed in whole or in part"

FORFEITURE OF SHARES

- 12 In Regulation 15 of Table A the words "and all expenses that may have been incurred by the Company by reason of such non-payment" shall be inserted after the word "Act)" and after the words "payment of the interest"

- 13 In Regulation 18 of Table A the words "and expenses that may have been incurred by the Company by reason of such non-payment" shall be inserted after the words "may have accrued"

TRANSFER OF SHARES

- 14 The Directors may, in their absolute discretion decline to register any transfer of any share, whether or not it is a fully paid share, provided that reasons are given for the refusal
- 15 Subject to such of the restrictions of these Articles as may be applicable, any member may transfer all or any of his shares in writing in any usual or common form or in any other form which the Directors may approve. The instrument of transfer shall be executed by or on behalf of the transferor and (except in the case of (i) fully paid shares and (ii) the subscriber shares) by or on behalf of the transferee and the transferor shall remain the holder of the shares and as such a member of the Company until the name of the transferee is entered in the Register of Members in respect thereof

GENERAL MEETINGS

- 16 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two members present in person or by proxy or, if corporations, by representatives duly authorised shall be a quorum provided that at any time when the Company has only one member, one member present in person or by proxy or, if a corporation, by a representative duly authorised shall be a quorum. If a quorum is not present within half an hour of the time appointed for a general meeting the meeting, if convened on the requisition of members, shall be dissolved, in any other case it shall stand adjourned to such day and at such time and place as the directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum
- 17 The holders of the 'A' Preference Shares or the 'B' Preference Shares shall be entitled to receive notice of all general meetings but shall not by reason of such holding be entitled to attend or vote thereat
- 18 Subject to the provisions of the Companies Act 2006, a resolution in writing signed by all the members of the Company who would be entitled to receive notice of and to attend and vote at a general meeting at which such resolution was to be proposed, or by their duly appointed attorneys or representatives, shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held. Any such resolution may consist of several documents in the like form each signed by one or more of the members or their duly appointed attorneys or representatives and the signature in the case of a corporate body which is a member shall be sufficient if made by a director or the secretary thereof or by its duly appointed attorneys or representatives
- 19 A poll may be demanded at any general meeting by the Chairman or by any

member present in person or by proxy or, if a corporation, by any representative duly authorised and entitled to vote Regulation 46 of Table A shall be construed accordingly

- 20 No resolution not previously approved by the Directors shall be moved by any member other than a Director at a general meeting unless the member intending to move the same shall have left a copy thereof with his name and address at the Registered Office of the Company three clear days prior to such meeting
- 21 A notice of every general meeting shall be given to every member whether or not he shall have supplied to the Company an address within the United Kingdom for the giving of notices and Regulation 112 of Table A shall be construed accordingly

DIRECTORS

- 22 Unless and until otherwise determined by ordinary resolution of the Company, the minimum number of Directors shall be one and there shall be no maximum number. A sole director shall have all the power and authority vested in "the Directors" in terms of these Articles of Association. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two (unless there is a sole director, in which case the quorum shall be one). A person who holds office only as an alternate director shall, if his appointer is not present, be counted in the quorum
- 23 A Director shall not be required to hold shares of the Company in order to qualify for office as a Director, but he shall be entitled to receive notice of and attend and speak at all general meetings of the Company or of any class of members of the Company
- 24 A Director who is in any way whether directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with Section 177 and/or Section 182 of the Companies Act 2006. Subject to such disclosure as aforesaid a Director may vote in respect of any contract or proposed contract or arrangement in which he is interested and if he does so vote his vote shall be counted and he may be counted in ascertaining whether a quorum is present at any meeting at which any such contract or proposed contract or arrangement shall come before the Directors for consideration and may retain for his own absolute use and benefit all profits and advantages accruing to him therefrom. For the purposes of this Article -
- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified, and
 - (b) an interest of which a Director has no knowledge and of which it is

unreasonable to expect him to have knowledge shall not be treated as an interest of his

- 25 The Directors may dispense with the keeping of attendance records for meetings of the Directors or committees of the Directors Regulation 100 of Table A shall be modified accordingly
- 26 The office of a Director shall be vacated -
- (a) if he becomes bankrupt or suspends payment of or compounds with his creditors,
 - (b) if he becomes of unsound mind or a patient for the purpose of any statute relating to mental health or otherwise incapax,
 - (c) if (not being a Director holding executive office as such for a fixed term) by notice in writing to the Company he resigns his office,
 - (d) if he is prohibited by law from being a Director or ceases to be a Director by virtue of the Companies Act 2006 or any statutory modification or re-enactment thereof,
 - (e) if he is removed from office by notice in writing signed by all his Co-Directors and served upon him,
 - (f) if he shall for more than six months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office be vacated
- 27 The Directors shall have power at any time, and from time to time to appoint any person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors
- 28 The ordinary remuneration of the Directors shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree or, failing agreement, equally except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for such proportion of remuneration as relates to the period during which he has held office The Directors may repay to any Director all such reasonable expenses as he may properly incur in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings of the Company or any class of members of the Company or otherwise in or about the business of the Company In the event of any Director necessarily performing or rendering any special duties or services to the Company outside his ordinary duties as a Director the Directors may, if so authorised by an ordinary resolution of the Company, pay such Director special remuneration and such special remuneration may be by way of salary, commission, participation in profits or otherwise as may be arranged.
- 29 The Directors may from time to time appoint one or more of their number to

an executive office (including that of Managing Director, Deputy or Assistant Managing Director, Manager or any other salaried office) for such period and on such terms and conditions as they shall think fit, and subject to the terms and conditions of any agreement entered into in any particular case, may revoke such appointment. Subject to the terms and conditions of any such agreement the appointment of any Director as aforesaid shall be *ipso facto* determined if he ceases from any cause to be a Director. Regulation 72 of Table A shall extend to the posts of Deputy or Assistant Managing Director or Manager aforesaid.

- 30 A Managing Director, Deputy or Assistant Managing Director, Manager or other executive officer as aforesaid shall receive such remuneration (either by way of salary, commission, participation in profits or pension or otherwise howsoever, whether similar to the foregoing or not) as the Directors may determine.
- 31 The Directors on behalf of the Company and without the approval of any resolution of the Company may establish, maintain, participate in and contribute to, or procure the establishment and maintenance of, participation in and contribution to, any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of any persons (including Directors, former Directors, officers and former officers) who are or shall have been at any time in the employment or service of the Company or of any company which at the time is or was a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company (as defined in Section 1159 of the Companies Act 2006) or otherwise associated with the Company or of the predecessors of the Company in business or of any such other company as aforesaid, or for the benefit of the relations, wives, widows, families, connections or dependants of any such persons or for the benefit of any other persons whose service or services have directly or indirectly been of benefit to the Company and their relations, connections or dependants, and the Directors on behalf of the Company and without the approval of any resolution of the Company may grant or procure the grant of donations, gratuities, pensions, allowances, including allowances on death, or other payments or benefits of any kind to any of such persons as aforesaid, and the Directors on behalf of the Company and without the approval of any resolution of the Company may establish, subsidise, subscribe to or support institutions, associations, clubs, schools, funds or trusts calculated or considered to be for the benefit of any of such persons as aforesaid or otherwise for the advancement of the interests and well-being of the Company or of any such other company as aforesaid or its members, and the Directors on behalf of the Company and without the approval of any resolution of the Company may make payments for or towards the insurance of any of such persons as aforesaid. Any such Director or ex-Director may participate in and retain for his own benefit any such donation, gratuity, pension, allowance, payment or other benefit conferred under or pursuant to this Article and the receipt thereof shall not disqualify any person from being or becoming a Director of the Company.
- 32 The Directors on behalf of the Company and without the approval of any

resolution of the Company may establish and contribute to any employees' share scheme (within the meaning of Section 1166 of the Companies Act 2006) for the purchase or subscription by trustees of shares of the Company or of a holding company of the Company and may lend money to the Company's employees to enable them to purchase or subscribe for shares of the Company or of a holding company of the Company, and may establish and maintain any option or incentive scheme whereby selected employees (including salaried Directors and officers) of the Company are given the opportunity of acquiring shares in the capital of the Company, and may formulate and carry into effect any scheme for sharing the profits of the Company with its employees (including salaried Directors and officers) or any of them. Any Director may participate in and retain for his own benefit any such shares, profit or other benefit conferred under or pursuant to this Article and the receipt thereof shall not disqualify any person from being or becoming a Director of the Company.

- 33 The Directors shall not be subject to retirement by rotation and accordingly all references in Table A to retirement by rotation shall be disregarded.

- 34 A resolution in writing signed by all the Directors for the time being in the United Kingdom shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors.

- 35 All or any of the Directors or any committee of the Directors may participate in a meeting of the Directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other and provided two or more Directors are participating as aforesaid such meeting shall be quorate and subject to the provisions of these Articles the meeting shall constitute a meeting of the Directors or a committee of the Directors as the case may be. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is. The word "meeting" in these Articles shall be construed accordingly.

BORROWING AND OTHER POWERS

- 36 The Directors may exercise all the powers of the Company without limit as to amount to borrow and raise money and to accept money on deposit and to grant any security, mortgage, charge or discharge as they may consider fit for any debt or obligation of the Company or which is binding on the Company in any manner or way in which the Company is empowered so to grant and similarly as they may consider fit to enter into any guarantee, contract of indemnity or suretyship in any manner or way in which the Company is empowered so to enter into.

ALTERNATE DIRECTORS

- 37 Any Director may at any time by writing under his hand and deposited at the Registered Office, or delivered at a meeting of the Directors, appoint any person to be his alternate Director and may in like manner at any time terminate such appointment. If such alternate Director is not another Director, such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved.
- 38 The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director (retirement at any general meeting at which the Director is re-elected being for such purpose disregarded).
- 39 An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his appointor is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability, an alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). An alternate Director shall not (save as aforesaid) have power to act as a Director or be deemed to be a Director for the purposes of these Articles.
- 40 An alternate Director may be repaid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company any remuneration except only such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

INDEMNITY

- 41 Without prejudice to any other indemnity which may from time to time be applicable, a relevant officer of the Company or an associated company shall be indemnified out of the company's assets against
- (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,
 - (b) any liability incurred by that officer in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in Section 235(6) of the Companies Act 2006), and

- (c) any other liability incurred by that officer as an officer of the Company or an associated company,

provided always that this article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act 2006 or by any other provision of law

In this article

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "**relevant officer**" means any director, former director, company secretary or former company secretary or other officer of the company or an associated company (but not its auditor)

INSURANCE

- 42 The Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, Officers, employees or auditors of the Company or any other company which is its holding company or subsidiary Without prejudice to the generality of Article 24 at a meeting of the Directors where such insurance is under consideration a Director may form part of the quorum and vote notwithstanding any interest he may have in such insurance

OVER-RIDING PROVISIONS

- 43 In the event that any person alone or jointly with any other person, (hereinafter called "the Parent") shall be the holder of not less than 90 per cent in nominal value of the issued shares of the Company as confers the right for the time being to attend and vote at general meetings of the Company, the following provisions (but without prejudice to the provisions of Sections 168 and 169 of the Companies Act 2006) shall apply and to the extent of any inconsistency shall have over-riding effect as against all other provisions of these Articles -

- (a) the Parent may at any time and from time to time appoint any person to be a Director or remove from office any Director howsoever appointed,
- (b) any or all powers of the Directors shall be restricted in such respects and to such extent as the Parent may by notice to the Company from time to time prescribe and any such restriction may be removed or varied in such regard and to such extent as the Parent may by notice to the Company from time to time prescribe

Any such appointment, removal, consent or notice shall be in writing served on the Company and signed by the Parent or in the case of a company on its behalf by any one of its directors or by its secretary or by some other person duly authorised for the purpose No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have

been in any way restricted hereunder or as to whether any requisite consent of the Parent has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors

MISCELLANEOUS

- 44 The registered office of the Company shall be situated in England and Wales
- 45 The liability of the members of the Company is limited to the unpaid capital, if any, on shares held by such members
- 46 The Company's objects are unrestricted