

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

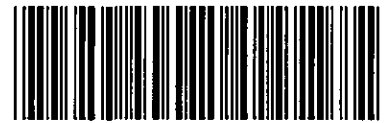
ACCESS TO MUSIC LIMITED

(a company registered in England no. 02749258)  
("the Company")

WRITTEN RESOLUTION  
OF  
SOLE MEMBER

Circulation Date: 22/4/09  
Date Passed: 22/4/09

SATURDAY



A24 \*AYN439BM\* 291  
25/04/2009  
COMPANIES HOUSE

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

SPECIAL RESOLUTION

That the articles of association attached to this Resolution be and hereby are adopted as the articles of association of the Company in substitution for the existing articles of association.

**AGREEMENT TO WRITTEN RESOLUTION**

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, being the sole member entitled to vote on the Resolution on the circulation date indicated above, hereby irrevocably agree to the passing of the Resolution.

.....  
Signed for and on behalf of  
ARMSTRONG LEARNING LIMITED

Date of signature 22/4/09

**NOTES:**

1. If you wish to agree to the Resolution, please indicate your agreement by signing and dating this document where indicated and returning it to the Company at the Company's registered office. Submitting the document by electronic means will be ineffective.
2. If you do not agree to the Resolution you need not do anything. You will not be deemed to agree if you fail to respond.
3. Once you have indicated your agreement to the Resolution you may not revoke your agreement.
4. Unless by the end of the period of 28 days beginning with the circulation date set out above sufficient agreement has been received for the Resolution to be passed it will lapse.

**THE COMPANIES ACTS 1985 AND 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**  
**OF**  
**ACCESS TO MUSIC LIMITED**

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## **TABLE OF CONTENTS**

<b>1</b>	<b>PRELIMINARY</b>	<b>1</b>
<b>2</b>	<b>SHARE CAPITAL</b>	<b>3</b>
<b>3</b>	<b>ALLOTMENT OF SHARES</b>	<b>3</b>
<b>4</b>	<b>LIENS AND CALLS</b>	<b>5</b>
<b>5</b>	<b>PERMITTED TRANSFERS</b>	<b>5</b>
<b>6</b>	<b>PRE-EMPTION RIGHTS</b>	<b>6</b>
<b>7</b>	<b>REGISTRATION OF TRANSFERS</b>	<b>9</b>
<b>8</b>	<b>PROHIBITED TRANSFERS</b>	<b>10</b>
<b>9</b>	<b>DRAG ALONG</b>	<b>10</b>
<b>10</b>	<b>GENERAL MEETINGS</b>	<b>12</b>
<b>11</b>	<b>PROXIES</b>	<b>12</b>
<b>12</b>	<b>DIRECTORS AND ALTERNATE DIRECTORS</b>	<b>12</b>
<b>13</b>	<b>APPOINTMENT AND RETIREMENT OF DIRECTORS</b>	<b>14</b>
<b>14</b>	<b>REMUNERATION OF DIRECTORS</b>	<b>14</b>
<b>15</b>	<b>PROCEEDINGS OF DIRECTORS</b>	<b>15</b>
<b>16</b>	<b>AUTHORISATION OF SITUATIONS OF CONFLICT</b>	<b>16</b>
<b>17</b>	<b>NOTICES</b>	<b>17</b>
<b>18</b>	<b>INDEMNITY</b>	<b>17</b>

**THE COMPANIES ACTS 1985 AND 2006  
PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**OF**

**ACCESS TO MUSIC LIMITED**

(a company registered in England and Wales under number 02749258)

("the Company")

(as adopted by written resolution dated 22/4 / 2009)

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**1. PRELIMINARY**

- 1.1 The regulations contained in Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (as amended at the date of the adoption of these Articles of Association) ("Table A") shall apply to the Company except in so far as they are excluded or varied by or are inconsistent with these articles. The remaining regulations of Table A together with these articles constitute the articles of association of the Company.
- 1.2 Words and expressions defined in regulation 1 of Table A shall in these articles bear the meanings there ascribed to them unless the context otherwise requires.
- 1.3 Any reference in these articles to any provision of any statute or to any other legislative provision shall be deemed to include a reference to any statutory or other legislative modification or re-enactment of that provision from time to time in force.
- 1.4 Without prejudice to any other definitions contained elsewhere in these articles, the following words and expressions shall in these articles have the meanings set out or referred to opposite each respectively:

"the Acceptance Period"	as defined in article 6.6;
"the 1985 Act"	the Companies Act 1985;
"the 2006 Act"	the Companies Act 2006;
"acting in concert"	shall bear the meaning ascribed to it in the City Code on Take-overs and Mergers (as amended from time to time);
"the Called Shareholders"	as defined in article 9.1;
"the Called Shares"	as defined in article 9.2.1;
"Connected"	as defined by section 839 of the Income & Corporation Taxes Act 1988;
"the Drag Along Right"	as defined in article 9.1;
"the Drag Along Notice"	as defined in article 9.2;
"a New Member"	as defined in article 9.7;
"the Offer"	as defined in article 3.5;
"the Offer Notice"	as defined in article 6.6;
"the Offer Period"	as defined in article 3.5.3;
"the Offeror"	as defined in article 9.1
"Price"	as defined in article 6.3;
"Purchaser"	as defined in article 6.11;
"Total Transfer Condition"	as defined in article 6.2;
"Transfer Notice"	as defined in article 6.1;
"the Transfer Shares"	as defined in article 6.1;
"the Transferor"	as defined in article 6.1; and
"the Vendors"	as defined in article 9.1.

- 1.5 In these articles, where the context so permits, words importing the singular number shall include the plural and vice versa; words importing the masculine gender shall include the feminine and neuter and vice versa; words importing persons shall include bodies corporate, unincorporated associations and partnerships; the expression "paid up" shall mean paid up or credited as paid up.

1.6 The headings to the clauses and paragraphs are inserted for ease of reference only and shall not affect the construction or interpretation of these articles.

1.7 A reference in these articles to any transfer of any share in the Company shall mean the transfer of either or both of the legal and beneficial ownership in such share and/or the grant of an option to acquire either or both of such legal and beneficial ownership, and the following shall be deemed (but without limitation) to be a transfer of a share:

1.7.1 Any direction by way of renunciation, nomination or otherwise by a person entitled to an allotment of shares to the effect that such shares or any of them be allotted to some other person; and

1.7.2 Any sale or other disposition of any legal or equitable interest (including without limitation any voting right attached thereto) in any share.

## **2. SHARE CAPITAL**

The authorised share capital at the date of adoption of these articles is £100 divided into 100 shares of £1 each.

## **3. ALLOTMENT OF SHARES**

3.1 Section 89(1) and section 90(1) to (6) of the 1985 Act shall not apply.

3.2 Notwithstanding any other provision of these articles, no share shall be issued to any infant or bankrupt or to any person of unsound mind, but shares may be issued to trustees for any infant or person of unsound mind.

3.3 Subject as hereinafter provided, all shares shall be under the control of the directors, who may allot, grant options over or otherwise deal with or dispose of them to such persons, at such times and generally on such terms as they may think fit.

3.4 Subject to the following provisions of this article 3, any shares from time to time unissued shall, before they are issued, be offered to all the holders of shares in the Company at the date of the offer (other than any person to whom under article 8 shares may not be transferred) and at the same price and on the same terms to each member in accordance with the following provisions of this article 3.

3.5 Any offer pursuant to article 3.1 ("the Offer") shall be made by notice in writing and shall specify:

- 3.5.1 the number and class of shares offered;
- 3.5.2 the price per share;
- 3.5.3 the period limited for the acceptance of the Offer ("the Offer Period") which shall be not less than twenty-one and not more than thirty-five days; and
- 3.5.4 the manner in which the Offer may be accepted in accordance with article 3.6.
- 3.6 The Offer may be accepted by notice in writing by the member to the directors specifying the maximum number of shares which that member wishes to accept (which may be all the shares being offered or some smaller number). If the notice returned by the member fails to specify the number of shares which he wishes to accept, then, unless he shall within the Offer Period have submitted a further notice which does specify that number, he shall be deemed to have declined the Offer.
- 3.7 A valid acceptance of the Offer may not be withdrawn, and a member who validly accepts the Offer shall be obliged to subscribe for any shares allocated to him in accordance with these articles.
- 3.8 As soon as reasonably practicable after the expiry of the Offer Period, the directors shall allot the shares so offered to or amongst the members who have accepted the Offer and, in the case of competition, the shares so offered shall be allotted to those accepting in proportion (as nearly as may be without involving fractions or allotting to any member a greater number of shares than the maximum number applied for by him) to the number of the existing shares held by them respectively.
- 3.9 Any shares not accepted pursuant to article 3.6 or not capable of being offered except by way of fractions and any shares released from the provisions of this article by special resolution shall, subject to section 80 of the 1985 Act, be at the disposal of the directors as provided for by article 3.3; provided that, in the case of shares not accepted pursuant to article 3.6 or not capable of being offered except by way of fractions:
  - 3.9.1 no such shares shall be issued more than three months after the expiry of the Offer Period unless the procedure set out in articles 3.1 to 3.7 is repeated in respect of such shares (and so that the three months' period contained in this article 3.9.1 shall apply equally to any repetition of that procedure);
  - 3.9.2 no shares shall be issued at a price less than that at which they were offered to members pursuant to the Offer and, if the directors are proposing to issue such shares wholly or



partly for a non-cash consideration, the cash equivalent of such consideration for the purposes of this article 3.9.1 shall be as reasonably determined by the auditors of the Company for the time being who shall act as experts and not as arbitrators and whose determination shall be final and binding on the Company and each of its members.

3.10 Any member or members holding 75% of the issued shares in the capital of the Company may, by notice in writing to the Company, declare any issue of shares to be exempt from the requirements of articles 3.4 to 3.9.

3.11 Section 89(1) and section 90 (1) to (6) of the 1985 Act shall not apply.

3.12 Notwithstanding any other provision of these articles, no share shall be issued to any infant or bankrupt or to any person of unsound mind, but shares may be issued to trustees for any infant or person of unsound mind.

#### **4. LIENS AND CALLS**

4.1 The lien conferred by regulation 8 of Table A shall attach also to fully paid up shares.

4.2 The Company shall also have a first and paramount lien on all shares (whether fully paid up or not) standing registered in the name of any person, whether he is the sole registered holder thereof or is one of two or more joint holders, for all monies, whether presently payable or not, payable by him or his estate to the Company either alone or jointly with any other person and whether as a member or not. The Company's lien on a share shall extend to any dividend or other amount payable in respect thereof. Regulation 8 of Table A shall be modified accordingly.

4.3 The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 of Table A of the words "and all expenses that may have been incurred by the Company by reason of such non payment".

#### **5. PERMITTED TRANSFERS**

5.1 Any share may be transferred at any time by any member or by the personal representatives of a deceased member:

5.1.1 to his or her spouse or to any of his or her lineal descendants (not being minors); and/or

5.1.2 to the trustees of any trust under which no beneficial interest in the share in question is or will be at any time vested in any person other than those mentioned in article 5.1.1 (or minors who are lineal descendants of the member) and under which no power of

control over the voting powers conferred by such share is or will at any time be exercisable by or be subject to the consent of any person other than such trustees or the member or any other person as aforesaid. Any share held in the names of trustees may be transferred into the names of new or additional trustees on any change of trustees; and/or

5.1.3 with the approval of any member or members holding 75% of the issued shares in the capital of the Company.

5.2 The provisions of article 6 shall not apply to any transfer of shares to an Offeror by the Vendors who have exercised the Drag Along Right contained in article 9 or by the Called Shareholders or by any New Member following an exercise of the Drag Along Right contained in that article.

## 6. **PRE-EMPTION RIGHTS**

This article 6 shall apply in relation to any transfer of shares other than those permitted under article 5:

6.1 Subject to this article 6, if any member ("the Transferor") wishes to transfer any share or any interest therein or to enter into any agreement to do so, then he shall give notice in writing to the Company (a "Transfer Notice"), and the Company shall be constituted his agent for the purpose of such sale. The Transfer Notice may include several shares and in such case shall (unless otherwise stated in the Transfer Notice) operate as if it were a separate notice in respect of each such share (except that the operation of a Transfer Notice as a separate notice in respect of each share comprised therein shall not prejudice any Total Transfer Condition) comprised in the Transfer Notice ("the Transfer Shares").

6.2 The Transferor may specify in the Transfer Notice that he wishes to impose a condition ("Total Transfer Condition") that unless all the Transfer Shares are sold pursuant to the following provisions of this article 6, then none shall be sold), failing which the Transfer Notice shall be deemed not to contain a Total Transfer Condition. A Transfer Notice, once given, shall not be revocable and except pursuant to article 6.5.

6.3 The price at which each of the Transfer Shares shall be sold (the "Price") shall be such sum (if any) as has been nominated by the Transferor and agreed by the directors or (if there has been no such nomination or in the event of disagreement) as shall be certified in writing by an independent firm of chartered accountants (to be agreed by Transferor and the directors or, in the event of disagreement, appointed on the application of the

- Transferor or of the directors by the President of the Institute of Chartered Accountants in England and Wales), upon the application of the Transferor or the directors, to be their opinion of the value of each of the Transfer Shares calculated on the following basis:
- 6.3.1 by determining the sum which a willing buyer would offer to a willing seller for all of the shares in the capital of the Company in issue on the date of the Transfer Notice;
  - 6.3.2 by dividing the resultant figure by the number of shares in issue on the date of the Transfer Notice.
  - 6.4 In so certifying the independent firm of chartered accountants shall be considered to be acting as experts and not as arbitrators, and accordingly the Arbitration Act 1996 shall not apply. The certificate of the independent firm of chartered accountants shall be final and binding, save in the event of manifest error. The fees of the independent firm of chartered accountants in respect thereof shall be borne by the Company.
  - 6.5 In the event of a certificate being issued as to the Price by an independent firm of chartered accountants, the Company shall promptly give notice in writing to the Transferor of the Price as so fixed, and within a period of fourteen days after service of such notice the Transferor may by further notice in writing to the Company revoke the Transfer Notice as to all (but not some only) of the Transfer Shares comprised therein.
  - 6.6 The Company shall within fourteen days following the date on which the Price is agreed or certified notify ("the Offer Notice") the members (other than the Transferor) of the number of the Transfer Shares, of the Price and of whether or not the Transfer Notice contained a Total Transfer Condition, and invite each of the members (other than the Transferor) to state in writing to the Company within the period ("the Acceptance Period") specified in the Offer Notice (being not less than fourteen and not more than twenty-eight days) whether he wishes to apply to purchase any, and if so what maximum number of, the Transfer Shares.
  - 6.7 Any member who fails to reply to the Offer Notice within the period specified for reply therein or who fails to so specify a maximum number of shares by the end of such period shall be deemed to have declined to purchase any of the Transfer Shares.
  - 6.8 If members within the Acceptance Period apply for all or (except when the Transfer Notice contains a Total Transfer Condition) any of the Transfer Shares, the Company shall allocate the Transfer Shares (or (if less) as many of them as shall be applied for as

aforesaid) to such members and, in the event of competition, then as nearly as may be in proportion to their respective holdings of shares, save that no member shall be obliged to take more than the maximum number of shares applied for by him.

- 6.9 If any of the Transfer Shares shall not be capable of being allocated as aforesaid without involving fractions, they shall be offered amongst those members applying for them or some of them only in such proportions or in such manner as may be determined by lot drawn in such manner as the directors may specify.
- 6.10 An application made pursuant to article 6.6 may not be withdrawn, and any member making such an application shall be obliged to purchase any shares allocated to him in accordance with these articles.
- 6.11 If the Company within a period of twenty-one days after the expiry of the Acceptance Period delivers or sends to the Transferor for execution a transfer or transfers of the Transfer Shares or (except where the Transfer Notice contains a Total Transfer Condition) some of the Transfer Shares, the Transferor shall be bound upon payment of the Price in respect thereof to deliver the said transfer or transfers duly signed to the person or persons named therein as the transferee or transferees (each a "Purchaser") together with the relative share certificate.
- 6.12 The Transferor shall be deemed to have appointed each of the directors and the secretary jointly and severally as his attorney to sign a transfer of all or any of the Transfer Shares to a Purchaser, should he fail to do so forthwith upon receipt of the Price in respect thereof, and to execute an appropriate form of indemnity should he fail to deliver to the Company either the relative share certificate or such an indemnity duly executed upon payment to him of the Price in respect thereof. The receipt of any director or of the secretary for the purchase money shall be a good discharge to the Purchaser (in circumstances where it is paid to the Transferor by the Company on his behalf), and, after his name has been entered in the register of members in purported exercise of this power, the validity of the proceedings shall not be questioned by any person. The Purchaser or (in circumstances where it is to be paid by the Company on his behalf) the Company may pay the purchase money by posting a cheque (which shall be at the risk of the Transferor) to the Transferor at his address as shown in the register of members.
- 6.13 The Transferor may at any time within three months of the expiry of the time limit set out in article 6.11 sell:

- 6.13.1 if the Transfer Notice contained a Total Transfer Condition, all (but not some only) of the Transfer Shares; or
- 6.13.2 if the Transfer Notice did not contain a Total Transfer Condition, such of the Transfer Shares as have not (otherwise than by reason of default on the part of the Transferor) been transferred pursuant to article 6.11

to any person for an amount in respect of each not less than the Price. Before approving any transfer, (as to which article 8 shall apply) the directors may require the Transferor and the transferee respectively to make declarations pursuant to the Statutory Declarations Act 1835 that the consideration paid by the transferee in respect of each of the shares in question is not less than the Price and is not subject to any deduction or rebate. If the Transferor cannot find a buyer at the Price, he may give a new Transfer Notice.

## **7. REGISTRATION OF TRANSFERS**

7.1 Regulation 24 of Table A shall not apply. The directors shall refuse to register any transfer unless it is made in accordance with these articles and shall refuse to register a transfer unless:

- 7.1.1 it is in favour of a person who is not, or persons none of whom is, a minor;
- 7.1.2 it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
- 7.1.3 it is in respect of only one class of shares; and
- 7.1.4 it is in favour of not more than four transferees;

but, subject thereto, shall be obliged to register any transfer made in accordance with these articles unless the proposed transferee is or in the reasonable opinion of the directors is likely to become a competitor of the Company or any of its subsidiaries and subsidiary undertakings from time to time.

7.2 Notwithstanding anything contained in these articles, the directors shall not decline to register any transfer of shares, nor may they suspend registration of any shares where such transfer is executed by any person to whom such shares have been charged by way

of security, or by any nominee of such person, pursuant to a power of sale under any security, and a certificate by any such person or an employee of any such person that the shares were so charged and the transfer was so executed shall be conclusive evidence of such facts.

**8. PROHIBITED TRANSFERS**

Notwithstanding any other provision of these articles, no share shall be transferred to any infant or bankrupt or to any person of unsound mind.

**9. DRAG ALONG**

9.1 If one or more members of the Company holding between them not less than 75% of the shares for the time being in issue ("the Vendors") propose to sell the legal or beneficial interest in their entire holdings of shares at an arm's length price to a person (or persons acting in concert) with whom none of them is Connected ("the Offeror"), the Vendors shall have the option to require all the holders of all other issued shares in the Company ("the Called Shareholders") to sell and transfer their entire holdings of shares to the Offeror (or as the Offeror shall direct) with full title guarantee in accordance with this article 9 ("the Drag Along Right").

9.2 The Vendors may exercise the Drag Along Right by giving written notice ("the Drag Along Notice") to that effect at any time before the transfer of the Vendors' shares to the Offeror. The Drag Along Notice shall specify:

9.2.1 that the Called Shareholders are required to sell and transfer their entire holdings of shares ("the Called Shares") under article 9.1;

9.2.2 the person to whom they are to be sold and transferred (and the Offeror, if different);

9.2.3 the consideration for which each of the Called Shares is to be transferred, which shall not be less than the aggregate consideration offered by the Offeror for the Vendors' shares, divided by the number of the Vendors' shares (and for this purpose the provisions of articles 9.3 shall apply ) and shall take the same form and shall be satisfied at the same time or otherwise on the same terms as the consideration offered by the Offeror for the Vendors' shares; and

9.2.4 the proposed date of transfer (which may be the date of service of the Drag Along Notice or a later date).

- 9.3 For the purposes of article 9.2.3:
- 9.3.1 the aggregate consideration offered by the Offeror for the Vendors' shares shall be deemed to include any consideration, in cash or otherwise which, having regard to the substance of the transaction as a whole, may reasonably be regarded as part of such consideration; and
- 9.3.2 the certificate of the auditors of the Company for the time being as to the value attributable to any part of the consideration offered by the Offeror which is proposed to be satisfied other than in cash shall be final and binding and in so certifying such auditors shall be considered to be acting as experts and not as arbitrators and accordingly the Arbitration Act 1996 shall not apply.
- 9.4 A Drag Along Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Vendors do not transfer their entire holdings of shares to the Offeror or the Offeror's nominee not later than the date specified as the date for completion of the sale and purchase of shares pursuant to acceptance of the Drag Along Right, unless the holders of at least 50% in number of the Called Shares and the Vendors agree otherwise. The Vendors may serve further Drag Along Notices if any particular Drag Along Notice lapses.
- 9.5 Subject to article 9.4, each of the Called Shareholders shall be bound to transfer his entire holding of shares in accordance with the provisions of the Drag Along Notice.
- 9.6 If any Called Shareholder fails to complete the sale of any of his shares pursuant to the Drag Along Notice or otherwise fails to take any action required of him under the terms of the Drag Along Right, the directors (or any of them) may authorise any person to undertake on his behalf any other action required under the terms of the Drag Along Right. In particular (but without limitation) the directors and the Company shall have the same rights as given to them under article 6.12.
- 9.7 If any person after the giving of a Drag Along Notice becomes a member of the Company pursuant to the exercise of a pre-existing option or other right to subscribe for or otherwise acquire shares in the Company ("a New Member"), provided that it has not lapsed, the Drag Along Notice shall be deemed also to have been served upon the New Member forthwith upon his becoming a member and the New Member shall thereupon be bound to sell and transfer all such shares acquired by him to the Offeror or as the Offeror may direct and the provisions of this article shall apply mutatis mutandis to the New Member save that, if the shares in question are acquired after the sale of the Called

Shares has been completed, completion of the sale of the New Member's shares shall take place immediately upon his acquiring the shares.

**10. GENERAL MEETINGS**

10.1 Notices of and other communications relating to any general meeting which a member is entitled to receive shall be sent to the directors.

10.2 Regulation 40 of Table A shall not apply. The quorum necessary for the transaction of business at any general meeting is any member or members holding 75% of the issued shares in the capital of the Company (whether such members are present in person or by proxy or, in the case of a corporation, a duly authorised representative).

10.3 Regulation 41 of Table A shall not apply. If a quorum is not present within half an hour from the time appointed for a general meeting, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine; and, if a quorum is not present within half an hour from the time appointed therefor, any general meeting so adjourned shall be dissolved.

10.4 In the case of a body corporate, the signature of a director or the secretary and, in the case of joint holders of a share, the signature of any one of such joint holders shall be sufficient for the purpose of passing resolutions in writing pursuant to the 2006 Act or otherwise.

10.5 In the case of a body corporate, a director or the secretary shall be deemed to be a duly authorised representative for the purposes of regulation 54 of Table A.

**11. PROXIES**

11.1 An instrument appointing a proxy may, in the case of a body corporate, be signed on its behalf by a director or the secretary or by its duly appointed attorney or duly authorised representative.

11.2 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting.

**12. DIRECTORS AND ALTERNATE DIRECTORS**

12.1 A director shall not be required to hold any shares in the capital of the Company.



- 12.2 A director who is not a shareholder in the Company shall nevertheless be entitled to attend and speak at any general meeting.
- 12.3 Regulations 65 to 69 (inclusive) of Table A shall not apply. The following provisions of this article 12.3 shall apply in relation to alternate directors:
- 12.3.1 Any director other than an alternate director may appoint any other director or any other person approved by resolution of the directors and willing to act to be an alternate director and may remove from office an alternate director so appointed by him. Every appointment and removal of an alternate director shall be in writing signed by the appointor and subject to any approval required shall, unless the directors otherwise agree, take effect only upon receipt of such written appointment or removal at the registered office.
- 12.3.2 An alternate director shall not be entitled merely by virtue of being an alternate director to receive any remuneration from the Company except that he may be paid by the Company such part, 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.
- 12.3.3 An 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, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence and to receive notice of all general meetings.
- 12.3.4 An alternate director shall cease to be an alternate director if his appointor ceases to be a director. The appointment of an alternate director shall automatically determine on the happening of any event which, if he were a director, would cause him to vacate such office.
- 12.3.5 A director or any such other person as is mentioned in article 12.3.1 may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the directors or of any committee of the directors to one vote for every director he represents in addition to his own vote, if he is a director, as a director, but he shall count as only one for the purpose of determining whether a quorum is present.

- 12.3.6 Except as otherwise provided in these articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults, and he shall not be deemed to be the agent of the director appointing him.

**13. APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 13.1 Any member or members holding a majority in nominal amount of issued share capital which confers the right to attend and vote at general meetings may at any time appoint any person to be a director, whether as an additional director or to fill a vacancy, (provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with these articles as the maximum number of directors) and may remove from office any director however appointed.

- 13.2 Any appointment or removal made pursuant to article 13.1 shall be effected by notice in writing to the Company signed by the member or members giving it or, in the case of a corporate member, signed by any director thereof or by any person authorised by resolution of the directors or of any other governing body. Any such appointment or removal shall take effect only upon receipt of such written appointment or removal at the registered office. Any such removal shall be without prejudice to any claim which a director may have under any contract between him and the Company.

- 13.3 The words "in writing" shall be inserted after the words "by notice" in regulation 81(d) of Table A.

- 13.4 Any person may be appointed or elected a director, whatever his age, and no director shall be required to vacate his office by reason of his attaining or having attained the age of seventy years or any other age.

**14. REMUNERATION OF DIRECTORS**

- 14.1 In addition and without prejudice to regulation 82 of Table A, any director who serves on any committee or who devotes special attention to the business of the Company or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director may be paid such remuneration by way of lump sum, salary, participation in profits or otherwise as the directors may determine.

- 14.2 Without prejudice to any other provision of these articles, the directors (notwithstanding that all or some of them may be personally interested) may exercise all the powers (express or implied) of the Company relating to the establishment,

maintenance, modification, discontinuance and/or winding-up of pension, life assurance, superannuation and/or health and disability funds, plans and schemes and of employees' share schemes and other share schemes.

**15. PROCEEDINGS OF DIRECTORS**

15.1 Regulation 64 of Table A shall not apply. The number of directors (other than alternate directors) shall not be subject to any maximum, and the minimum number of directors shall be one.

15.2 If and so long as the minimum number of directors appointed under these articles is one and there is only one director, that sole director may exercise all the powers conferred on the directors by these articles and may do so either by written resolution under his hand or by resolution passed at a meeting for which the quorum shall be one. Regulations 88 to 90 of Table A shall not apply so long as there is only one director.

15.3 A director holding not less than 75% of the shares for the time being in the Company or in any company which in turn holds not less than 75% of the shares for the time being in the Company issue may exercise all the powers conferred on the directors by these articles and may do so either by written resolution under his hand or by resolution passed at a meeting for which the quorum shall be one.

15.4 Save where article 15.2 or 15.3 applies, the quorum for the transaction of the business of the directors shall be two. A person who holds office only as an alternate shall, if his appointor is not present, be counted in the quorum. Regulation 89 of Table A shall not apply.

15.5 Regulation 88 of Table A shall be amended by substituting for the sentence:

"It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom."

The sentence:

"Notice of every meeting of directors shall be given to each director or his alternate, including without limitation directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company their address outside the United Kingdom".

- 15.6 Any director may participate in a meeting of directors or a committee of directors of which he is a member by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear one another and participation in a meeting in this manner shall be deemed to constitute presence by such a person at such meeting.
- 15.7 An e-mail, telex, cable, telegram/or facsimile approval of a circulated proposal shall rank as a signed document by a director for the purpose of constituting a written resolution within regulation 93 of Table A.
- 15.8 In the case of an equality of votes, the chairman shall not have a second or casting vote. Regulation 88 of Table A shall be modified accordingly.
- 15.9 In the case of an equality of votes, a director holding not less than 75% of the shares for the time being in issue shall have a second or casting vote. Regulation 88 of Table A shall be modified accordingly.
- 15.10 Regulations 94 to 97 inclusive of Table A shall not apply. A director may vote at any meeting of directors or of any committee of directors of which he is a member notwithstanding that it in any way concerns or relates to a matter in which he has any interest, directly or indirectly and, if he votes on such a resolution, his vote shall be counted; and, in relation to any such resolution, he shall, whether or not he votes (and provided he declares his interest), be taken into account in calculating the quorum present at the meeting.
- 16. AUTHORISATION OF SITUATIONS OF CONFLICT**
- 16.1 The directors may authorise, subject to such terms and conditions as they think fit, to the fullest extent permitted by law:
- 16.1.1 any matter which would or might otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or a conflict of duties);
- 16.1.2 a director to accept or continue in any office, employment or position in addition to his office as a director of the Company.

- 16.2 If a matter or office, employment or position, has been authorised by the directors in accordance with article 16.1 then:
- 16.2.1 the director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed to him in relation to or in connection with that matter, or that office, employment or position;
- 16.2.2 the director may (and shall if required by the directors) absent himself from meetings or discussions of the directors at which anything relating to that matter, or that office, employment or position, will or may be discussed; and
- 16.2.3 the director may (and shall if required by the directors) decline to review information provided by the Company which will or may relate to or be connected to that matter, or that office, employment or position.
- 16.3 A director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the directors pursuant to this article 16.
- 16.4 This article 16 is without prejudice to the operation of article 15.10 and a director who shall have disclosed any material interest shall not infringe or be in breach of his duties to the Company by reason of such interest.
17. **NOTICES**
- 17.1 Any notice to be given by or to any person pursuant to these articles shall be in writing.
- 17.2 A notice may be given to the Company or to any officer of the Company by leaving it at or by sending it by post in a prepaid envelope to the registered office.
18. **INDEMNITY**
- 18.1 Subject to the 1985 Act and the 2006 Act and so far as may be permitted by law, but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be entitled to be indemnified out of the assets of the Company against any and all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including without limitation any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in

which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company. Regulation 118 of Table A shall not apply.

- 18.2 Without prejudice to article 18.1, the directors may effect and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees of any Relevant Company or who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Relevant Company are or were at any time interested including without limitation insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution of their duties and/or in the actual or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Relevant Company or any such pension fund or employees' share scheme.
- 18.3 In article 18.2 "Relevant Company" means the Company, any holding company or parent undertaking (as defined in section 258 and section 736 of the 1985 Act) from time to time of the Company or in which the Company or any such holding company or parent undertaking or any of the predecessors of the Company or of any such holding company or parent undertaking has or had at any time any interest, whether direct or indirect, or which is or was at any time in any way allied to or associated with the Company or any subsidiary or subsidiary undertaking (as defined in section 258 and section 736 of the 1985 Act) of the Company or of such other company or undertaking.