

Company no. 2781951

The Companies Act 2006

Private company limited by shares

Written resolution

of

1HQ Limited

THURSDAY



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COMPANIES HOUSE

20th Sept 2011 (the "Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of 1HQ Limited (the "Company") propose that the resolutions below passed as special resolutions (the "Special Resolutions")

Special Resolutions:

That

- 1 1 the articles of association of the Company be amended by deleting to the fullest extent permitted by law all of the provisions of the Company's memorandum of association which, by virtue of Section 28, Companies Act 2006, are to be treated as provisions of the Company's articles of association,
- 1 2 any limit on the maximum amount of shares that may be allotted by the Company which is imposed by the amount of the Company's authorised share capital that was in force prior to the adoption of the New articles (as defined below) be and its is revoked, and
- 1 3 the draft articles of association (the "New Articles") attached to this resolution be and they are adopted by the Company in substitution for, and to the exclusion of, its existing articles of association

Important:

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

The undersigned, being persons entitled to vote on the resolutions on the Circulation Date, hereby irrevocably agree to the Special Resolutions

Signed

Name Helen Leeson

Date

20th Sept 2011

Signed

Name John Sandom

Date

20th Sept 2011

Notes

- 1 You can choose to agree to all of the Special Resolutions or none of them but you cannot agree to only some of them. If you agree to all of 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
 - By hand (by delivering the signed copy to the Old Brewery, 22 Russell Street, Windsor, Berkshire, SL4 1HQ marked for the attention of Sara Ordona)
 - By post (by returning the signed copy to the Old Brewery, 22 Russell Street, Windsor, Berkshire, SL4 1HQ marked for the attention of Sara Ordona)
 - By email (by attaching a scanned copy of the signed document to an email and sending it to Sara.Ordona@1hq.co.uk). Please enter "Written resolutions circulated on Sept 20th 2011" in the email subject box
- Please note that return of this document will not be accepted by fax
- 2 **The resolutions will lapse if sufficient votes in favour of them have not been received by the end of the date which is 28 days after the Circulation Date (the Circulation Date being counted as day one)**. Unless you do not wish to vote on any of the resolutions, please ensure that your agreement reaches the Company on or before this date and time. If the Company has not received this document from you by then you will be deemed to have voted against all of the resolutions
- 3 Once you have signified your agreement to the resolutions such agreement cannot be revoked
- 4 In the case of joint holders of shares, only the vote of the holder whose name appears first in the register of members of the Company in respect of such joint holding will be counted by the Company to the exclusion of the other joint holder(s)
- 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
- 6 If you require any assistance in completing this document, please contact Sara Ordona

Henry Reason

Sandon

**Articles of Association
of**

1HQ Limited

Company number 2781951

(Private company limited by shares)

as adopted by written special resolution passed on
Sept 20th 2011

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Company number 2781951

The Companies Act 2006

Private company limited by shares

Articles of Association

of

1HQ Limited

(as adopted by written special resolution passed on _____ 2011)

THURSDAY



Part 1 Interpretation, Limitation of Liability and Other Miscellaneous Provisions

It is agreed as follows

1 Defined terms

In these articles, unless the context requires otherwise

"Acting in Concert" has the meaning set out in the City Code on Takeovers and Mergers (as amended from time to time)

"Acts" means the Companies Acts and every other statute, order, regulation, or other subordinate legislation from time to time in force concerning companies and affecting the company

"alternate" or **"alternate director"** has the meaning set out in article 20 (*Appointment and removal of alternates*)

"appointor" has the meaning set out in article 20 (*Appointment and removal of alternates*)

"articles" means the company's articles of association as altered or varied from time to time (and **"article"** means a provision of the articles)

"A Share" means an A ordinary share of £1 in the capital of the company

"associate" has the meaning set out in section 417 of the Income and Corporation Taxes Act 1988,

"associated company" has the meaning set out in Section 256, CA2006

"Auditors" means the auditors for the time being of the company

"Board" means the board of directors of the company or (where the context permits) a duly authorised committee thereof

"B Share" means a B non-voting ordinary share of £1 in the capital of the company

"CA2006" means the Companies Act 2006

"call" has the meaning set out in article 26 1 (*Call notices*)

"call notice" has the meaning set out in article 26 1 (*Call notices*)

"call payment date" has the meaning set out in article 30 (*Failure to comply with call notice automatic consequences*)

"Capital Priority Sum" means the sum of £4,200,000

"Companies Acts" has the meaning set out in Section 2, CA2006

"company's lien" has the meaning set out in article 24 (*Company's lien*)

"conflicted director" has the meaning set out in article 12 1 (*Authorisation of conflicts of interest*)

"conflict situation" has the meaning set out in article 12 1 (*Authorisation of conflicts of interest*)

"C Share" means a C ordinary share of £1 in the capital of the company

"distribution recipient" has the meaning set out in article 48 (*Payment of dividends and other distributions*)

"document" includes, unless otherwise specified, any summons, notice, order, register, certificate or other legal process and includes any such document sent or supplied in electronic form

"electronic form" has the meaning set out in Section 1168, CA2006

"eligible director" means a director who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting (but excluding any director whose vote is not to be counted in respect of the resolution in question)

"fully paid" in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company

"hard copy form" has the meaning set out in Section 1168, CA2006

"holding company" has the meaning set out in Section 1159, CA2006

"legal personal representative" means in relation to any deceased member, any person who is for the time being a personal representative of such member or, where no grant of representation has been made, would be a person entitled to apply for such grant either by reason of such person being named as an executor in the will of such member or by reason of such person being one of the class of persons entitled to apply or which would be entitled to apply for a grant in respect of such member's estate under the Non-Contentious Probate Rules 1987 (as amended extended replaced or re-enacted from time to time) in accordance with the order of priority for grant in case of intestacy (and, in the case of dispute as regards such order, as determined by the Board whose decision for this purpose as to the entitlement of any person shall be final and binding) and any trustee for the time being of his estate or any part thereof

"lien enforcement notice" has the meaning set out in article 25 (*Enforcement of the company's lien*)

"Model Articles" means the model articles for private companies limited by shares as set out in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229)

"nil paid" in relation to a share, means that none of that share's nominal value or any premium at which it was issued has been paid to the company

"occupational pension scheme" has the meaning set out in Section 235(6), CA2006

"parent undertaking" has the meaning set out in Section 1162, CA2006

"partly paid" in relation to a share, means that part of that share's nominal value or any premium at which it was issued has not been paid to the company

"relevant director" means any director or former director

"relevant loss" means any costs, charges, losses, expenses and liabilities which have been or may be incurred by a relevant director secretary or other officer in the actual or purported execution or discharge of his duties or in the actual or purported exercise of his powers in relation to the affairs of the company, any associated company or any pension fund (including any occupational pension scheme) or employees' share scheme of the company or associated company

"relevant rate" has the meaning set out in article 30 2 (*Failure to comply with call notice automatic consequences*)

"Relevant Third Party" means any person who is not an associated company of the company or a member of the company or an associate of any member of the company

"Second Capital Priority Sum" means £1,800,000

"subsidiary" has the meaning set out in Section 1159, CA2006

"subsidiary undertaking" has the meaning set out in Section 1162, CA2006

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law

"working day" has the meaning set out in Section 1173, CA2006

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods and **"written"** shall be construed accordingly

- 1 1 Unless the context otherwise requires (or unless otherwise defined or stated in these articles), words or expressions defined in the Model Articles shall have the same meaning in these articles. Any other words and expressions contained in these articles and/or the Model Articles shall have the same meaning as in the CA2006 as in force from time to time
- 1 2 The Model Articles shall apply to the company save insofar as they are excluded or modified by or are inconsistent with these articles, and the Model Articles (except insofar as so excluded, modified or inconsistent) together with these articles shall be the articles of association of the company (to the exclusion of any other regulations set out in any statute, statutory instrument or other subordinate legislation from time to time in force)
- 1 3 The following articles of the Model Articles shall be excluded in their entirety from applying to the company
 - (a) article 14 (*Conflicts of interest*),

- (b) article 21 (*All shares to be fully paid up*),
- (c) article 48 (*Means of communication to be used*),
- (d) article 52 (*Indemnity*), and
- (e) article 53 (*Insurance*)

- 1 4 References in the articles to a document or information being sent or supplied by or to a company (including the company) shall be construed in accordance with the provisions of Section 1148(3), CA2006 and any reference to "**sent**" or "**supplied**" (or other similar term) shall be construed in accordance with the provisions of Section 1148(2), CA2006

2 **Domicile**

The company's registered office is to be situated in England and Wales

Part 2

Directors and Secretary

Directors' powers and responsibilities

3 **Directors may delegate**

Article 5(1) of the Model Articles is modified by the addition, at the end of that article, of the words

"(including whether any such delegation shall be made either collaterally with or to the exclusion of the powers otherwise conferred on the directors under the articles)"

4 **Committees**

- 4 1 Committees to whom the directors delegate any of their powers may consist of one or more co-opted persons other than directors on whom voting rights may be conferred as members of the committee provided that the number of co-opted members of the committee shall be less than one-half of the total number of members of the committee and so that no resolution of the committee shall be effective unless a majority of the members of the committee voting on the resolution are directors

Article 5(1) and article 6 of the Model Articles are modified accordingly

Decision-making by Directors

5 **Directors to take decisions collectively**

5 1 **If**

- (a) the company has only one director for the time being, and
- (b) no provision of the articles requires it to have more than one director,

save as provided otherwise in the articles the general rule does not apply, and the director may (only for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making

Article 7(2) of the Model Articles is modified accordingly

6 Unanimous decisions

- 6 1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means excluding the means of text messaging and excluding instant messaging that they share a common view on a matter

Article 8(1) of the Model Articles is modified accordingly

- 6 2 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

Article 8(2) of the Model Articles is modified accordingly

- 6 3 Article 8(3) shall be excluded from applying to the company

- 6 4 A decision may not be taken in accordance with this article 6 if the eligible directors would not have formed a quorum at a directors' meeting held to discuss the matter in question

Article 8(4) of the Model Articles is modified accordingly

7 Calling a directors' meeting

Save as otherwise provided in the articles, notice of a directors' meeting must be given to each director, but need not be in writing

Article 9(3) of the Model Articles is modified accordingly

8 Participation in directors' meetings

- 8 1 Article 10(1)(b) of the Model Articles is modified by the addition, after the word "communicate", of the words

"orally, including by means of telephone, video conference or other audio or audio-visual link or any other form of telecommunication"

- 8 2 Article 10(2) of the Model Articles is modified by the addition, at the end of that article, of the words

", provided that all persons participating in the meeting can hear each other"

9 Quorum for directors' meetings

- 9 1 Subject to Section 175(6), CA2006 the quorum for the transaction of the business of the directors may be fixed from time to time by a decision of the directors, and unless otherwise so fixed it shall (save as provided in article 9 2 or any other provision of the articles) be two

- 9 2 In relation to any meeting (or part of any meeting) held pursuant to article 12 (*Authorisation of conflicts of interest*), if, at the relevant time, the company has only one director other than the conflicted director, the quorum for such meeting (or the part thereof dealing with the authorisation pursuant to article 12 (*Authorisation of conflicts of interest*)) shall be one eligible director

Article 11(2) of the Model Articles is modified accordingly

10 Chairing of directors' meetings

If the chairman is unwilling to chair a directors' meeting or is not participating in a directors' meeting within ten minutes of the time at which it was to start or, if at any time during the meeting, the chairman ceases to be a participating director, the participating directors must

appoint one of themselves to chair it (or chair such part of it in relation to which the chairman ceases to be a participating director, as the case may be)

Article 12(4) of the Model Articles is modified accordingly

11 Casting vote

11 1 Subject to article 11 2, if, at a meeting of the directors, the numbers of votes for and against a proposal are equal, the chairman or other director appointed to chair the meeting pursuant to article 10 (*Chairing of directors' meetings*) shall have a casting vote

11 2 At a meeting of the directors (or any part thereof), the chairman or other director appointed to chair the meeting pursuant to article 10 (*Chairing of directors' meetings*) shall not have a casting vote in respect of any proposal where the numbers of votes for and against are equal if, in relation to such proposal, such chairman or other director appointed to chair the meeting is not an eligible director

Article 13 of the Model Articles is modified accordingly

12 Authorisation of conflicts of interest

12 1 Subject to and in accordance with the CA2006

(a) the directors may authorise any matter or situation arising on or after 1 October 2008 in which a director (the "**conflicted director**") has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the company could take advantage of it) and for this purpose a conflict of interest includes a conflict of interest and duty and a conflict of duties (the "**conflict situation**"),

(b) any authorisation given in accordance with this article 12

(i) may be made on such terms and subject to such conditions and/or limitations as the directors may, in their absolute discretion, determine (including, without limitation, excluding the conflicted director and any other interested director from certain directors' meetings, withholding from him or them certain board or other papers and/or denying him or them access to certain confidential company information) and such terms, conditions and/or limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated, and

(ii) shall be effective only if

(A) any requirement as to the quorum at any meeting of the directors at which the matter is considered is met without counting either the conflicted director or any other interested director, and

(B) the matter or situation was agreed to and any relevant resolution was passed without counting the votes of the conflicted director and without counting the votes of any other interested director (or such matter or situation would have been so agreed and such relevant resolution would have been so passed if their votes had not been counted), and

(c) in considering any request for authorisation in respect of a conflict situation, the directors shall be entitled to exclude the conflicted director from any meeting or other discussion (whether oral or written) concerning the authorisation of such conflict situation and they shall also be entitled to withhold from such conflicted director any board papers or other papers concerning the authorisation of such conflict situation

12 2 If any conflict situation is authorised or otherwise permitted under the articles, the conflicted director (for as long as he reasonably believes such conflict situation subsists)

- (a) shall not be required to disclose to the company (including the directors or any committee) any confidential information relating to such conflict situation which he obtains or has obtained otherwise than in his capacity as a director of the company, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by him to another person in relation to such matter, office, employment or position,
- (b) shall be entitled to attend or absent himself from all or any meetings of the directors (or any committee) at which anything relating to such conflict situation will or may be discussed, and
- (c) shall be entitled to make such arrangements as he thinks fit to receive or not to receive documents or information (including, without limitation, directors' papers (or those of any committee of the directors)) relating to any such conflict situation and/or for such documents or information to be received and read by a professional adviser on his behalf,

and in so doing, such conflicted director shall not be in breach of any general duty he owes to the company pursuant to Sections 171 to 177 (inclusive), CA2006 and the provisions of this article 12 shall be without prejudice to any equitable principle or rule of law which may excuse the conflicted director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under the articles

12 3 For the purposes of this article 12, an interest of a person who is, for any purpose of the CA2006 (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise

13 **Directors may have interests and vote and count for quorum**

13 1 Provided permitted by the Acts, and provided he has disclosed to the other directors the nature and extent of his interest pursuant to Section 177 or 182, CA2006 or otherwise pursuant to the articles (as the case may be), a director, notwithstanding his office

- (a) may be a party to, or otherwise directly or indirectly interested in any contract, arrangement, transaction or proposal with the company or in which the company is otherwise interested and may hold any other office or position of profit under the company (except that of auditor or of auditor of a subsidiary of the company) in addition to the office of director and may act by himself or through his firm in a professional capacity for the company and in any such case on such terms as to remuneration and otherwise as the directors may arrange either in addition to or in lieu of any remuneration provided for by any other article,
- (b) may be a member, director or other officer of, or employed by, or hold any other office or position with, or be directly or indirectly interested in any contract, arrangement, transaction or proposal with or a party to or otherwise directly or indirectly interested in, any subsidiary and subsidiary undertaking of the company or any parent undertaking of the company and any of such parent undertaking's subsidiaries or subsidiary undertakings or any other body corporate promoted by the company or in which the company is otherwise interested,
- (c) shall not, by reason of his office, be liable to account to the company for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from

- (i) any matter, office, employment or position which relates to a conflict situation authorised in accordance with article 12 (*Authorisation of conflicts of interest*), or
- (ii) any office, employment, contract, arrangement, transaction or proposal or other interest permitted pursuant to paragraphs (a) and (b) of this article,

and no contract, arrangement, transaction or proposal shall be avoided on the grounds of any director having any such interest or receiving any such dividend, profit, remuneration, superannuation, payment or other benefit authorised in accordance with article 12 (*Authorisation of conflicts of interest*) or permitted pursuant to paragraphs (a) or (b) of this article and the receipt of any such dividend, profit, remuneration, superannuation, payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in Section 176, CA2006

13 2 For the avoidance of doubt, a director may be or become subject to one or more conflict situations as a result of any matter referred to in paragraph (b) of article 13 1 (*Directors may have interests and vote and count for quorum*) without requiring authorisation under the provisions of article 12 (*Authorisation of conflicts of interest*) provided he has declared, as soon as reasonably practicable, the nature and extent of his interest in the conflict situation. The provisions of Section 177(2), Section 177(3), Section 177(5), Section 177(6), Section 184 and Section 185, CA2006 shall be applied (with any necessary modifications) in respect of any such declaration

13 3 Subject to Section 175(6), CA2006 and save as otherwise provided in the articles, a director may vote at any meeting of the directors or any meeting of any committee of which he is a member on any resolution and a director may participate in the transaction of the business of the directors and count in the quorum at any such meeting of the directors or meeting of any committee of which he is a member notwithstanding that it concerns or relates in any way to a matter in which he has directly or indirectly any kind of interest or duty. This article does not affect any obligation of a director to disclose any such interest, whether pursuant to Section 177, CA2006, Section 182, CA2006 or otherwise

13 4 Subject to article 13 5, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive (except in a case where the nature or extent of any interest of the director has not been fairly disclosed)

13 5 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

13 6 For the purposes of this article 13, an interest of a person who is, for any purpose of the CA2006 (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise

14 **Records of decisions to be kept**

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors. Notwithstanding the provisions of article 5 (*Directors to take decisions collectively*), where the company only has one director, the provisions of this article 14 shall apply to any decision taken by such director, howsoever taken by him

Article 15 of the Model Articles is modified accordingly

Appointment of Directors

15 Methods of appointing directors

In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee of the last shareholder to have died or to have had a bankruptcy order made against him, as the case may be, shall have the right, by notice in writing to the company, to appoint any one person to be a director, provided such person is a natural person in accordance with Section 155, CA2006 and provided such person is willing to be so appointed and is otherwise permitted by law to be a director of the company

Article 17(2) of the Model Articles is modified accordingly

16 Termination of director's appointment

16 1 A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the CA2006 or is prohibited from being a director by law,
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- (e) by reason of that person's mental health, he is admitted to hospital in pursuance of an application for admission for treatment under any mental health legislation for the time being in force in any part of the United Kingdom or a court having jurisdiction (whether in the United Kingdom or elsewhere) makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms, or
- (g) that person has, for more than six consecutive months, been absent without permission of the directors from meetings of directors held during that period and the directors make a decision that that person's office be vacated

Article 18 of the Model Articles is modified accordingly

17 Directors' remuneration

Article 19(2) of the Model Articles is modified by adding at the end of that article, the words

"(provided that any remuneration for their services to the company as directors pursuant to article 19(2)(a) shall not exceed £10,000 per annum for each director)"

18 Directors' expenses

18 1 The company may pay any reasonable expenses which the directors and the company secretary (if any) properly incur in connection with their attendance at (or returning from)

- (a) meetings of directors or committees of directors,

- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the company,

or otherwise in connection with the business of the company, the exercise of their powers and the discharge of their duties and responsibilities in relation to the company

Article 20 of the Model Articles is modified accordingly

19 **Alternate directors**

20 **Appointment and removal of alternates**

20 1 Any director (other than an alternate director) (the "**appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors, who is willing to act to

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor. A person (whether or not otherwise a director) may be appointed as an alternate by more than one appointor.

20 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 directors.

20 3 The notice must identify the proposed alternate and, 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.

20 4 The appointment of an alternate director who is not otherwise a director shall be valid notwithstanding that he is approved by a resolution of the directors after his appointment as alternate director. Where an alternate director who is not otherwise a director attends a meeting of the directors and no objection is raised at the meeting to his presence then he shall be deemed to have been approved by a resolution of the directors.

21 **Rights and responsibilities of alternate directors**

21 1 Except as the articles specify otherwise, an alternate director has the same rights in relation to any directors' meeting, directors' written resolution or any other directors' decision-making as the alternate's appointor, including, but not limited to, the right to receive notice of all meetings of directors and all meetings of committees of directors of which his appointor is a member.

21 2 Except as the articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors.

21 3 A person who is an alternate director but not otherwise a director

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and

- (b) may participate in a unanimous decision of the directors (but only if that person's appointor is an eligible director in respect of such decisions and only if that person's appointor does not participate),

provided that (notwithstanding any other provision of the articles) such person shall not be counted as more than one director for the purposes of paragraphs (a) and (b) above

A director who is also an alternate for one or more directors is entitled, in the absence of the relevant appointor, to a separate vote on behalf of each appointor in addition to his own vote on any decision of the directors (provided the relevant 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

- 21 4 An alternate director is not 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. Notwithstanding any other provision of the articles, an alternate director shall not be entitled to vote on any resolution relating to the remuneration of an alternate director (whether himself or others)

22 Termination of alternate directorship

An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) 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,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor ceases to be a director for any reason

Part 3

Shares and Distributions

Shares

23 Issue of shares and payment of commissions

- 23 1 Shares may be issued by the company which are nil, partly or fully paid

- 23 2 The company may pay any person a commission in consideration for that person subscribing, or agreeing to subscribe, for shares or procuring, or agreeing to procure, subscriptions for shares. Any such commission may be paid in cash, or fully paid or partly paid shares or other securities, or partly in one way and partly in the other, and in respect of conditional or an absolute subscription

24 Company's lien

- 24 1 The company has a lien (the "**company's lien**") over every share (whether fully paid or not) registered in the name of any person (whether he is the sole registered holder or one of two or more joint holders) for all moneys payable by him or his estate (and whether payable by him alone or jointly with any other person) to the company (whether presently payable or not)

- 24 2 The company's lien over a share

- (a) takes priority over any third party's interest in that share, and

- (b) extends to any dividend (or other assets attributable to it) 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
- 24 3 The directors may, at any time, decide that a share which is or would otherwise be subject to a lien pursuant to the articles shall not be subject to it, either wholly or in part
- 25 **Enforcement of the company's lien**
- 25 1 Subject to the provisions of this article 25, if a lien enforcement notice has been given in respect of a share and the person to whom the notice was given has failed to comply with it, the company may sell that share in such manner as the directors decide
- 25 2 A lien enforcement notice
 - (a) 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,
 - (b) must specify the share concerned,
 - (c) must require payment of the sum payable within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
 - (d) must be addressed either to the holder of the share or to any transmittee of that holder or any other person otherwise entitled to the share , and
 - (e) must state the company's intention to sell the share if the notice is not complied with
- 25 3 Where any share is sold pursuant to this article
 - (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
 - (b) the transferee of the share(s) shall be registered as the holder of the share(s) to which the transfer relates notwithstanding that he may not be able to produce the share certificate(s) and such transferee is not bound to see to the application of the consideration and the transferee's title to the share is not affected by any irregularity in or invalidity of the process leading or relating to the sale
- 25 4 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
 - (a) 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,
 - (b) second, to the person entitled to the share(s) immediately before the sale took place but only after the certificate for the share(s) sold has been surrendered to the company for cancellation or an indemnity in a form acceptable to the directors has been given to the company for any lost certificate(s) and subject to a lien (equivalent to the company's lien over the share(s) immediately before the sale took place) for all moneys payable by such person or his estate (whether immediately payable or not) in respect of all share(s) registered in the name of such person (whether he is the sole registered holder or one of two or more joint holders) and in respect of any other moneys payable (whether immediately payable or not) by him or his estate to the company, after the date of the lien enforcement notice

25 5 A statutory declaration by a director or the company secretary (if any) 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

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share(s), and

(b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share(s)

26 **Call notices**

26 1 Subject to the articles and the terms on which shares are allotted, the directors may send a notice (a "**call notice**") to a shareholder (or his estate) requiring such shareholder (or his estate) to pay the company a specified sum of money (a "**call**") which is payable to the company in respect of shares which that shareholder (or his estate) holds at the date when the directors decide to send the call notice

26 2 A call notice

(a) may not require a shareholder (or his estate) to pay a call which exceeds the total sum unpaid on the shares in question (whether as to nominal value or any amount payable to the company by way of premium),

(b) must state when and how any call to which it relates is to be paid, and

(c) may permit or require the call to be paid by instalments

26 3 A shareholder (or his estate) must comply with the requirements of a call notice but shall not be obliged to pay any call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent

26 4 Before the company has received any call due under a call notice the directors may revoke it wholly or in part or specify a later date and/or time for payment than is specified in the notice, by a further notice in writing to the shareholder (or his estate) in respect of whose shares the call is made

27 **Liability to pay calls**

27 1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid. Joint holders of a share are jointly and severally liable to pay all calls in respect of that share

27 2 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them to pay calls which are not the same or to pay calls at different times

28 **Payment in advance of calls**

28 1 The directors may, if they think fit, receive from any shareholder willing to advance it all or any part of the moneys uncalled and unpaid on the shares held by him. Such payment in advance of calls shall extinguish only to that extent the liability on the shares on which it is made

28 2 The company may pay interest on the money paid in advance or so much of it as exceeds the amount for the time being called up on the shares in respect of which such advance has been made at such rate not exceeding 15% per annum as the directors may decide until and to the extent that it would, but for the advance, become payable

28 3 The directors may at any time repay the amount so advanced on giving to such shareholder not less than 14 clear days' notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) of its intention in that regard, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced

28 4 No sum paid in advance of calls shall entitle the holder of a share in respect of them to any portion of a dividend subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become payable

29 When call notice need not be issued

29 1 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)

(a) on allotment,

(b) on the occurrence of a particular event, or

(c) on a date fixed by or in accordance with the terms of issue

29 2 If, however, the due date for payment of such a sum has passed and it has not been paid, the holder of the share(s) concerned (or his estate) 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

30 Failure to comply with call notice: automatic consequences

30 1 If a person is liable to pay a call and fails to do so by the call payment date (as such is defined below), the directors may issue a notice of intended forfeiture to that person, and unless and until the call is paid that person must pay the company interest on the call from the call payment date at the relevant rate (as such is defined below)

30 2 Subject to article 30 3, for the purposes of this article

(a) the "**call payment date**" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date,

(b) the "**relevant rate**" is

(i) the rate fixed by the terms on which the share in respect of which the call is due was allotted, or, if none,

(ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors,

provided that if no rate is fixed in either of the manners specified in paragraph (b)(i) or (b)(ii) above, it shall be 5 per cent per annum

30 3 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(a)

30 4 The directors may waive any obligation to pay interest on a call wholly or in part

31 Notice of intended forfeiture

31 1 A notice of intended forfeiture

- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,
- (b) must be sent to the holder of that share (or to all the joint holders of that share) or to a transmittee of that holder,
- (c) must require payment of the call and any accrued interest together with all costs and expenses that may have been incurred by the company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must state how the payment is to be made, and
- (e) 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

32 **Directors' power to forfeit shares**

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 directors 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

33 **Effect of forfeiture**

33 1 Subject to the articles, the forfeiture of a share extinguishes all interests in that share, and all claims and demands against the company in respect of it and all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company

33 2 Any share which is forfeited in accordance with the articles

- (a) is deemed to have been forfeited when the directors decide that it is forfeited,
- (b) is deemed to be the property of the company, and
- (c) may be sold, re-allotted or otherwise disposed of as the directors think fit

33 3 If a person's shares have been forfeited

- (a) the company must send that person notice that forfeiture has occurred and record it in the register of members,
- (b) that person ceases to be a shareholder in respect of those shares,
- (c) that person must surrender the certificate for the shares forfeited to the company for cancellation,
- (d) 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, costs and expenses (whether accrued before or after the date of forfeiture), and
- (e) the directors 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

33 4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest, costs and expenses due in respect of it and on such other terms as they think fit

34 Procedure following forfeiture

34 1 If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer

34 2 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 forfeited on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and, subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share

34 3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share

34 4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which

(a) was, or would have become, payable, and

(b) had not, when that share was forfeited, been paid by that person in respect of that share,

but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them

35 Surrender of shares

35 1 A shareholder may surrender any share

(a) in respect of which the directors may issue a notice of intended forfeiture,

(b) which the directors may forfeit, or

(c) which has been forfeited

35 2 The directors may accept the surrender of any such share. The effect of surrender on a share is the same as the effect of forfeiture on that share. A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

36 Share capital

37 Rights attaching to Shares

37 1 Subject as provided in these articles the rights attaching to the shares in issue in the capital of the company shall be as hereinafter provided but in all other respects they shall rank *pari passu*

37 2 The respective rights attaching to the A Shares, the B Shares and the C Shares as to voting and capital are as follows

(a) As regards voting

(i) the B Shares shall carry the right to receive notice of and to attend at general meetings but members holding B Shares shall not be entitled (in their capacity as such) to vote either on a show of hands or on a poll save in relation to a resolution which varies or abrogates any of the special rights attached to the B Shares,

- (ii) the C Shares shall carry the right to receive notice of and to attend and vote at general meetings and for so long as any C Shares are in issue the total number of votes capable of being cast at any general meeting in respect of the C Shares in issue shall always equal 5% of the total aggregate number of votes capable of being cast at such meeting in respect of all shares in issue (and each holder of C Shares shall be entitled to cast a pro rata portion of such percentage in respect of the C Shares held by him as a proportion of the aggregate number of C Shares in issue from time to time),
- (iii) subject to paragraphs (i) and (ii) above
 - (A) on a show of hands every member present in person or by representative shall have one vote,
 - (B) on a poll every member who is present in person or by a representative or proxy shall have one vote for each A Share of which he is the holder and (in relation to any resolution which the holders of the B Shares shall be entitled to vote) one vote for each B Share of which he is the holder

(b) As regards capital

- (i) on a return of capital on liquidation or otherwise (but excluding, for the avoidance of doubt any purchase by the company of its own shares) the assets of the company available for distribution among the members shall be applied
 - (A) first in paying to the holders of the A shares as a class the amount of the Capital Priority Sum, such sum to be distributed amongst the holders of the A shares pro rata (as nearly as may be) to their respective holdings of A shares,
 - (B) second, following payment in full of the Capital Priority Sum to the holders of the A Shares, in paying to the holders of the B shares as a class 95% of the amount of the Second Capital Priority Sum, such sum to be distributed amongst the holders of the B Shares pro rata (as nearly as may be) to their respective holdings of B Shares and in paying to the holders of the C Shares as a class 5% of the amount of the Second Capital Priority Sum, such sum to be distributed amongst the holders of the C Shares pro rata (as nearly as may be) to their respective holdings of C Shares, and
 - (C) third, following payment in full of the Second Capital Priority Sum, in paying to the holders of the B Shares 75% of any balance pro rata (as nearly as may be) to their respective holdings of B Shares and in paying to the holders of the C Shares 25% of any balance pro rata (as nearly as may be) to their respective holdings of C Shares
- (ii) following the payment of the Capital Priority Sum to the holders of the A Shares, the holders of the A Shares shall not be entitled to any further participation in the profits or assets of the company

37.3 At each meeting of a class of shareholders, the provisions of these articles relating to general meetings of the company or to the proceedings thereat shall apply except that the necessary quorum shall be three persons at least (or, if less, all the holders of shares of the class concerned) holding or representing by proxy not less than one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum), and that the holders of the shares of the class present in person or by proxy shall, on a poll taken at a

separate class meeting, have one vote in respect of every share of the class held by them respectively For this purpose

- (a) the purchase by the company of any of its own shares shall (for the avoidance of doubt) not be treated as constituting a variation or abrogation of any of the rights attaching to the A Shares, B Shares or C Shares,
- (b) the creation or issue of (or grant of options over) any additional A Shares, B Shares or C Shares shall not be treated as constituting a variation or abrogation of the rights attaching to the A Shares, the B Shares and the C Shares

38 Authority to allot shares

38 1 The directors are generally and unconditionally authorised pursuant to Section 551, CA2006 and generally to exercise any power of the company to allot or to grant any right to subscribe for or to convert any security into, shares in the company up to an aggregate nominal amount of £100,000 This authority shall expire on the date 5 years after the date of adoption of these articles (unless previously revoked, varied, renewed or further renewed by an ordinary resolution of the shareholders), save that the directors may, notwithstanding such expiry, allot any shares or grant any rights to subscribe for, or to convert any security into, shares in pursuance of an offer or agreement to do so made by the company before this authority expires

38 2 Any new shares which it is proposed to allot (of whatever class and whether forming part of the existing or any increased share capital) shall first be offered to the existing members of the company holding A Shares in accordance with the provisions of article 38 3, provided that article 38 3 shall not apply to any of the following allotments of shares

- (i) shares which are to be allotted by way of capitalisation of profits or share premium account to members in proportion (as nearly as possible without involving fractions) according to the number of shares in the company held by each of them respectively, or
- (ii) any allotment of B Shares or C Shares pursuant to any employees' share scheme

38 3 The offer shall be on terms that each member of the company holding A Shares can apply for any number of the new shares up to the total number of new shares to be allotted and on the terms that the new shares shall be allocated (in the case of competition) in proportion (as nearly as possible without involving fractions) according to the number of A Shares of which they are registered or entitled to be registered as holders provided that no applicant shall be obliged to take more than the maximum number of shares applied for by him The offer shall be made by notice in writing specifying the number of and subscription price for the shares offered and limiting a period (not less than 14 days) within which the offer, if not accepted, shall be deemed to have been declined Any shares which are not so accepted by the existing shareholders under this article 38 3 shall be under the control of the Board which may allot, grant options over or otherwise dispose of the same to such persons (whether or not members of the company), for such consideration (not being less than such offer price), on such terms, in such manner and at such times as it considers appropriate but so that such shares shall not be disposed of on terms which are more favourable to such persons than the terms on which they were originally offered to members

39 Exclusion of statutory pre-emption provisions

Pursuant to Section 567, CA2006, sub-section (1) of Section 561, CA2006, and sub-sections (1) to (5) inclusive of Section 562, CA2006 shall be excluded from applying to the company

40 **Share certificates**

- 40 1 The company must issue each shareholder with one or more certificates in respect of the shares which that shareholder holds and, save as provided otherwise in the articles, such certificates must be issued free of charge

Article 24(1) of the Model Articles is modified accordingly

- 40 2 Article 24(2)(c) of the Model Articles is modified by

- (a) the deletion of the words "that the shares are fully paid", and
- (b) the insertion instead, of the words "the amount paid up on the shares"

41 **Share transfers**

- 41 1 For the purposes of this article 41 and article 42 (*compulsory transfers*)

- (a) the expression "transfer" includes
 - (i) any direction (by way of renunciation, nomination or otherwise and whether or not in writing) by any member entitled to any allotment or transfer of shares to the effect that such shares or any of them be allotted or issued or transferred to some person other than himself, and
 - (ii) any sale or other disposition of any beneficial interest in a share (whether or not for any consideration) by whomsoever made and whether or not effected by an instrument in writing, and
- (b) the expression Group Company means the company or any member for the time being of its group (being the company together with its subsidiaries and subsidiary undertakings from time to time and any parent or holding company of the company together with all subsidiaries and subsidiary undertakings of such parent or holding company from time to time)

- 41 2 Any share or interest in a share (whether or not a beneficial interest therein) may at any time be transferred with the prior consent in writing of the holders of not less than 80 per cent in nominal value of the A Shares in issue in the company at that time or at the time of giving consent

- 41 3 Except in the case of a transfer of a share or of an interest in a share which is expressly authorised by article 41 2 or a deemed transfer pursuant to article 42 (*compulsory transfers*) no share or interest in any A Share or B Share (whether or not a beneficial interest) may at any time be transferred (whether pursuant to a testamentary disposition or whether by way of security or for any other purpose) to any person (whether or not another member) unless and until the requirements set out in articles 41 4 – 41 11 have been complied with Except in the case of a transfer of a share or of an interest in a share which is expressly authorised by article 41 2 or a deemed transfer pursuant to article 42 (*compulsory transfers*) no share or interest in any C Share (whether or not a beneficial interest) may at any time be transferred to any person (whether or not a member)

- 41 4 Before transferring any shares or any interest therein the transfer of which is not expressly authorised by article 41 2 the person or persons (the "**Transferor**") proposing to transfer the same (including any person or persons entitled to any shares or any interest therein in consequence of the death of any person or in consequence of the bankruptcy or liquidation of any member) shall give notice in writing (the "**Transfer Notice**") to the Board Save for any Transfer Notice required to be given pursuant to Article 42 no person may serve a Transfer Notice within the period of six months following any date on which a Transfer Notice was previously served by him A Transfer Notice shall specify the number and class of shares the Transferor desires to transfer or in which he desires to transfer an interest (such shares being

in each case being the "**Sale Shares**") and the price per share (if any) at which he proposes to transfer the same. A Transfer Notice may (but need not) identify any proposed transferee of the Sale Shares. A Transfer Notice may contain a provision (a "**Total Sale Condition**") that unless all of the Sale Shares are sold pursuant to the following provisions none shall be so sold and such provision shall be binding on all persons. In the absence of any specification to the contrary, it shall be presumed that acceptance will not be subject to any such condition. A Transfer Notice given by a Transferor shall constitute the company his agent for the sale of the Sale Shares (together with all rights attached thereto at the date of receipt of the Transfer Notice) at the Prescribed Price (as hereinafter defined) and according to the provisions hereinafter set out in this article 41

41 5 The Transfer Notice shall constitute the company the agent of the proposing transferor for the sale of the shares comprised in it at such price as may be agreed between all the members of the company holding A Shares and the Transferor or failing agreement within fourteen days of service of the transfer notice, such price shall be the less of

- (a) such price as may be certified by the auditors for the time being of the company, to represent their fair value the "**Prescribed Price**") The auditors shall, in so certifying, have regard to the provisions of these articles as regards capital and shall act as experts and not as arbitrators and their decision as to the fair value of the shares shall be final and binding, and
- (b) the sum (if any) specified by the Transferor in his Transfer Notice as being the price per share at which he proposes to transfer the Sale Shares

provided that, in relation to any A Shares, the Prescribed Price per share shall in no event exceed the amount of the Capital Priority Sum divided by the number of the A Shares which are in issue at the date of the Transfer Notice

41 6 A Transfer Notice shall not relate to more than one class of shares and shall not, once given, be revocable without the consent of the Board unless the auditors have been asked to certify the Prescribed Price in which event the proposing transferor may revoke the transfer notice within 7 days of receipt of such certification. The costs of the auditors shall be borne by the company unless the proposing transferor revokes the transfer notice in which case the costs shall be borne by the proposing transferor

41 7 Within 7 days after the Prescribed Price shall have been fixed or after the 7 days referred to in Article 41 6 have expired (as the case may be), the Board shall give notice to the holders of A Shares and B Shares (other than the Transferor), the company and, provided that the majority of the holders of the A Shares have given their prior consent in writing, to the holders of the C Shares of the number and price of those shares. The notice shall invite each of them to state in writing within 21 days after the date of the notice whether he (or the company as the case may be) is willing to purchase any and if so what maximum number of the said shares to which they are invited to apply. Each member (or the company as the case may be) to whom notice is given shall be invited to apply for any number of the Sale Shares up to the total number of the Sale Shares and on the terms that the Sale Shares shall be allocated

- (a) first, to all the applicants (if any) holding A Shares and, in the case of competition between them in proportion (as nearly as possible without involving fractions) according to the number of A Shares of which they are registered or entitled to be registered as holders,
- (b) secondly, to the company, and
- (c) thirdly, to all other applicants and, in the case of competition between them according to the number of shares in the company (other than A Shares) of which they are registered or entitled to be registered as holders

- 41 8 The notice must also state whether or not acceptance of any offers made pursuant to such invitations will be conditional upon offers being received for the whole of the shares which are comprised in the transfer notice
- 41 9 If within the period of 21 days mentioned in Article 41 7 above members to whom the notice was given have expressed their willingness to purchase all the shares comprised in the transfer notice the Board shall allocate those shares among those members so far as may be pro rata to their existing shareholdings, subject to the limitation that no member shall be under any obligation to purchase more than the maximum number of shares which he himself has notified as being willing to purchase, or in the case of the company the Board shall allocate such shares as the company has notified as being willing to purchase. As soon as such allocation has been made and provided that such allocation comprises all the shares to which the transfer notice relates (but not otherwise), the proposing transferor shall be bound, on payment of the price, to transfer those shares to the purchaser or respective purchasers, and if he shall make default in so doing the Board shall receive and give a good discharge for the purchase money on behalf of the Transferor and shall authorise some person (who shall be deemed to be the attorney of the Transferor for that purpose) to execute in favour of the purchaser or respective purchasers a transfer or transfers or such other documents as may be required to effect the transfer of the shares allocated to him or them or the company and shall enter his or their names in the Register of Members as the holder or holders of those shares and, in the case of an acquisition of such shares by the company, make all such filings as may be required with the Registrar of Companies
- 41 10 If within the period referred to in any notice pursuant to Article 41 7 members to whom the notice was given shall have expressed their willingness to purchase part only of the shares comprised in the transfer notice or no member nor the company shall have expressed his willingness to purchase any of those shares, then
- (a) unless the transfer notice is conditional upon offers being received from members for the whole of the shares comprised therein, the provisions of Article 41 9 shall apply mutatis mutandis to all the shares comprised in the transfer notice which the members (or the company, as the case may be) have expressed a willingness to purchase, and
 - (b) for a further period of 120 days from the expiration of the said period the proposing transferor shall be entitled to transfer to any person whom he selects all or any of the shares to which the transfer notice relates (but where sub-paragraph (a) applies, excluding any such shares which the members have expressed a willingness to purchase) at a price not lower than the Prescribed Price and on terms not more favourable than those offered in the transfer notice provided that
 - (i) if the Transfer Notice contained a Total Sale Condition he shall not without the prior consent in writing of the Board be entitled to transfer any of the Sale Shares unless all of the Sale Shares are so transferred,
 - (ii) in relation to any Transfer Notice given by the legal personal representatives of any deceased shareholder, the shares in question for which no purchaser has been found may instead of being so sold be transferred to any person or persons who are beneficiaries under the testamentary disposition of the deceased shareholder. For this purpose the expression "testamentary disposition" shall include the intestacy of the deceased and any will or equivalent disposition in any jurisdiction outside the United Kingdom whether or not varied after death,
 - (iii) the Board may require to be satisfied that such shares are being transferred pursuant to and in accordance with this article 41 10 and if not so satisfied shall be entitled to refuse to register the instrument of transfer, and
- 41 11 the Board may in its absolute discretion

- (a) decline by notice in writing to the Transferor to register a transfer of shares to any person (not already being a shareholder in the company and being either a competitor of any Group Company, or a person directly or indirectly holding or beneficially entitled to 10 per cent or more of the issued share capital of any such competitor, or a company in which a competitor directly or indirectly holds or is beneficially entitled to 10 per cent or more of the issued share capital) of whom the Board does not approve, or
- (b) agree to register a transfer to any such person as mentioned in sub-paragraph (a) above only upon such person undertaking to the company to serve a Transfer Notice in circumstances stipulated by the Board at the time of the Board so agreeing to register the transfer

Provided that the Board may only exercise such right to decline to register a transfer or to require such an undertaking to be given if it shall do so or shall have notified the Transferor in writing of its intention so to do within 30 days following lodgement of the transfer or (if earlier) receipt by it of written notification by the Transferor of the identity of the proposed transferee

41 12 A person entitled to any shares in consequence of the bankruptcy of a member shall be bound at any time, if and when required in writing by the Board so to do, to give a Transfer Notice in respect of such shares. References in this Article to bankruptcy shall be treated as including any process in any jurisdiction similar to bankruptcy

41 13 Regulation 30 shall not apply to the company and Regulations 29 and 31 shall be modified accordingly

41 14 Article 26(1) of the Model Articles is modified by the addition, at the end of that article, of the words

"and unless the share is fully paid, by and on behalf of the transferee"

41 15 The directors may, in their absolute discretion, refuse to register the transfer of a share, and if they do so, they shall, within 2 months after the date on which the transfer was lodged with the company, send to the transferee notice of refusal together with reasons for the refusal. Any instrument of transfer which the directors refuse to register must (unless they suspect that the proposed transfer may be fraudulent) be returned to the transferee

Article 26(5) of the Model Articles is modified accordingly

41 16 Whenever, as a result of a consolidation or division of shares, any shareholders are entitled to fractions of shares, the directors may

- (a) sell the shares representing the fractions to any person (including (provided permitted by law) the company) for the best price reasonably obtainable,
- (b) authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- (c) distribute the net proceeds of sale in due proportion among those shareholders

41 17 Whenever any shareholder's entitlement to a portion of sale amounts to less than a minimum figure determined by the directors, that shareholder's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland

41 18 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions and nor shall such transferee's title to the shares be affected by any irregularity in or invalidity of the process leading to their sale

42 **Compulsory transfers**

42 1 This article shall apply

- (a) in the event that a member ceases for whatever reason (other than by reason of his death) to be employed by the company or any Group Company, or
- (b) on the death of the member, or
- (c) upon a member becoming a director or employee of, or providing services to (in each case otherwise than with the approval of the Board), a competitor of any Group Company at that time (whether directly or indirectly through any firm or company) or becoming the holder or beneficial owner of any shareholding or other interest in a competitor of any Group Company (but disregarding for this purpose any holding of shares in any company quoted on a recognised stock exchange which does not exceed five per cent of the total issued shares of the relevant class) (a "**Competitive Event**")

each event being a "**Compulsory Transfer Event**" and in which event such member shall be a "**Compulsory Transferor**"

Save that this article 42 1 shall not apply

- (i) in relation to any shares held by an individual as trustee in respect of any trust or settlement under which neither the individual nor any spouse, former spouse, child, grandchild or other member of his family directly or indirectly has any benefit (save as trustee) or is an eligible beneficiary, or
- (ii) in relation to any shares held by a holder of A Shares (including, for the avoidance of doubt, any shares of another class held by such a person)

42 2 Upon the occurrence of such event subject always to the terms of any employees' share scheme duly adopted by the company to the contrary, a Transfer Notice (as defined in article 41 4) shall be deemed to have been given forthwith and the directors may require that the Compulsory Transferor (or his personal representatives in case of his death) within a period of three months after the date of the Compulsory Transfer Event (or in the case of a Competitive Event, if later the date when the Board shall have become aware that such event has occurred) offer for sale his entire holding of shares free from all liens, charges, encumbrances, and third party rights whatsoever, and together with all rights then attaching thereto in accordance with article 41 as varied by articles 42 3 and 42 4 below

42 3 The price per share for the Compulsory Transferor's shares shall be as follows

- (a) in respect of A Shares and in respect of B Shares held by a member who also holds A Shares, at the price determined in accordance with Article 41 5, and
- (b) in respect of
 - (i) C Shares, and
 - (ii) B Shares held by a member who does not also hold A Shares,

the price paid by the Compulsory Transferor for those shares

42 4 Save where the Board resolves that such will not be the case, any C Shares held by the Compulsory Transferor shall first be offered to the company for purchase and if the company declines the offer in respect of any or all of the C Shares offered to it, any remaining shares shall be offered to the members of the company in accordance with article 41 7

43 **Drag along**

43 1 If the holders of 80% or more of the A Shares in issue for the time being (the "**Majority Sellers**") wish to transfer all their interest in their shares (the "**Majority Sellers' Shares**") to a bona fide Relevant Third Party purchaser (the "**Third Party Purchaser**") who has made an offer in writing (which shall be open for acceptance for at least 21 days), pursuant to which

- (a) the consideration for the sale of the said shares shall be allocated in accordance with article 43 9,
- (b) there is no provision for any payment to any member other than in respect of the shares held by such member (but disregarding any bona fide payments to be made for the services of the member under any contract of employment or contract for services), and
- (c) the terms are otherwise the same (or as nearly as possible on the same terms) for each member,

(an "**Approved Offer**")

the Majority Sellers shall have the option (the "**Sale Option**") to require

- (i) all the other members, and
- (ii) any holders of any options or other rights to acquire or convert an interest into shares (which is fully and unconditionally exercisable) to exercise them,

(together the "**Called Shareholders**") to sell and transfer all their shares, including those allotted pursuant to such exercise or conversion (the "**Called Shares**") to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of articles 43 2 to 43 10 below

43 2 The Majority Sellers may exercise the Sale Option by giving a written notice to that effect (a "**Drag Along Notice**") at any time before the transfer of the Majority Sellers' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Called Shares pursuant to this article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this article) and the proposed date of transfer

43 3 Drag Along Notices shall be irrevocable but shall lapse if for any reason there is not a sale of the Majority Sellers' Shares by the Majority Sellers to the Third Party Purchaser within 30 working days after the date of service of the Drag Along Notice. The Majority Sellers shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice

43 4 The Called Shares shall be acquired on the same terms and conditions (including time of payment and form of consideration) for which the Majority Sellers shall have agreed to sell

43 5 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Majority Sellers' Shares unless all of the Called Shareholders and the Majority Sellers agree otherwise

43 6 The restrictions in Article 41 3 shall not arise on any transfer of shares to a Third Party Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served in accordance with this Article 43

43 7 If any Called Shareholder fails to complete the sale of his Called Shares in accordance with this article, he shall be deemed to have irrevocably appointed any person nominated for the purpose by the Majority Sellers to be his agent and attorney to execute all necessary transfer(s), power(s) of attorney relating to the rights attached to his Called Shares and

indemnities for missing share certificate(s) on his behalf and, against receipt by the company of the purchase monies or any other consideration payable for the Called Shares (held on trust for the relevant Called Shareholder), to deliver such transfer(s), power(s) and indemnities to the Third Party Purchaser (or as he may direct). The directors shall (subject only to stamping of the transfers, if required) immediately register the Third Party Purchaser (or as he may direct) as the holder of the relevant Called Shares. After the Third Party Purchaser (or his nominee) has been registered as the holder of the relevant Called Shares, the validity of such proceedings shall not be questioned by any person. It shall be no impediment to registration of shares under this article 43.7 that no share certificate has been produced.

43.8 Upon any person, following the issue of a Drag Along Notice which has not lapsed, exercising a pre-existing option to acquire shares, whether or not such person is registered as a member of the company, a Drag Along Notice shall be deemed to have been served upon such person on the same terms as the previous Drag Along Notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this article shall apply mutatis mutandis to such person save that completion of the sale of such shares shall take place immediately upon the Drag Along Notice being deemed served on such person where completion of the transfer of the Called Shares has already taken place.

43.9 The aggregate amount of the value of the consideration receivable by the members of the company under the Third Party Purchaser's offer (regardless of whether it is payable on completion or deferred or subject to a retention) shall be allocated among members in proportion as if assets of the company were being distributed on a return of capital in accordance with article 37.2 (but, if any options are exercised following such offer, on the basis that such options have been exercised and subject always to the following provisions of this article 43.9). For this purpose:

- (a) Any consideration in the form of shares or other instrument which is quoted on the London Stock Exchange or any other recognised stock exchange or on the Alternative Investment Market shall be calculated on the basis of the average of the middle market quotations for such share or other instrument for the 10 business days prior to the date on which such share or instrument is to be issued or transferred under such offer,
- (b) any consideration in the form of shares or other instrument which is not so quoted shall be valued at the value (if any) attributed thereto by the terms of the Third Party Offer, but if no value is attributed thereto by the terms of the Third Party Offer then such consideration shall be valued by the Auditors acting as experts and not as arbitrators and whose decision shall be final and binding,
- (c) any part of the consideration which is payable in cash shall be attributed first to the A Shares,
- (d) any part of the consideration which is payable on completion (as opposed to some later date) shall be attributed first to the A Shares,
- (e) subject to articles (c) and (d), any consideration which is payable partly in cash and partly in some other way, or partly on completion and partly at some later date shall be allocated between the members pro rata to their respective entitlements to share in the aggregate value of the consideration.

43.10 Notwithstanding the foregoing provisions of this article 43:

- (a) no member shall be obliged to enter into restrictive covenants,
- (b) if required by the terms of the Third Party Purchaser's offer

- (i) each member shall represent and/or warrant that he is able to convey or procure to be conveyed legal and beneficial ownership of the shares to be sold by him with full title guarantee, and
- (ii) all members shall give representations and/or warranties and/or indemnities on the same terms *mutatis mutandis* but on terms that the maximum aggregate liability of any member under or in respect of such representations, warranties and indemnities shall not exceed the aggregate amount or value of the consideration receivable under the Third Party Purchaser's offer by that member,
- (c) in considering whether terms offered to any member are the same as those offered to any other there shall be disregarded all questions relating to *bona fide* employment terms or the *bona fide* terms on which the services of any member are otherwise made available, and
- (d) in considering whether terms offered to any member are the same as those offered to any other there shall be disregarded any obligation which any member (whether or not a Majority Seller) voluntarily incurs or agrees to accept to the extent that it does not apply to all the members or to the extent that it is more onerous than obligations applying to other members

44 Tag along

- 44 1 No sale or transfer of any interest in any shares may be made or validly registered if, as a result of such sale or transfer and registration, an interest conferring in aggregate more than 50% of the total voting rights conferred by all the shares in the equity share capital of the company for the time being in issue would be obtained by a person or persons Acting in Concert unless such persons are bona fide arms' length purchasers and have made an irrevocable offer in writing that is for all the shares in the capital of the company on the terms of an Approved Offer (as defined in article 43 1)
- 44 2 Any transfer of shares pursuant to an Approved Offer shall not be subject to the restrictions on transfer contained in these articles

45 Transmission of shares

- 45 1 A transmittee who produces such evidence of entitlement to shares as the directors may properly require
 - (a) may, subject to the articles (including without limitation the provisions of article 42), choose either to become the holder of those shares or to have them transferred to another person, and
 - (b) subject to the articles (including, without limitation, the provisions of articles 42 and 45 2) and pending any transfer of the shares to another person, has the same rights as the holder had (and the rights in relation to the holder shall cease) and may give good discharge for dividends and other distributions in respect of the share

Article 27(2) of the Model Articles is modified accordingly

- 45 2 Save as provided in article 15 (*Methods of appointing directors*), transmittees do not have the right to attend or vote at a general meeting of the company, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares

Article 27(3) of the Model Articles is modified accordingly

- 45 3 The directors may at any time give notice requiring a transmittee to elect either to be registered himself in respect of the share or to transfer the share to a person nominated by him and if

such notice is not complied with within 60 days of such notice, the directors may, thereafter, withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with

46 Transmittees bound by prior notices

If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name or the name of any person nominated by the transmittee pursuant to article 45 1 (*Transmission of shares*) has been entered in the register of members

Article 29 of the Model Articles is modified accordingly

Dividends and Other Distributions

47 Calculation of dividends

47 1 Except as otherwise provided by the articles and by the rights attached to shares, all dividends must be

- (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid, and
- (b) apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid

47 2 If any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly

47 3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of a call or otherwise paid up in advance of its overdue payment date

Article 30(4) of the Model Articles shall be excluded from applying to the company

48 Payment of dividends and other distributions

48 1 Each of articles 31(1)(a) to (d) of the Model Articles is modified by the deletion of the words "either" and "or as the directors may otherwise decide"

48 2 If

- (a) a share is subject to the company's lien, and
- (b) the directors are entitled to issue a lien enforcement notice in respect of it,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice. Money so deducted must be used to pay any of the sums payable in respect of that share

48 3 The company must notify the distribution recipient in writing of

- (a) the fact and amount of any such deduction,
- (b) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction, and

- (c) how the money deducted has been applied
- 48 4 In these articles, "**the distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable
- (a) the holder of the share, or
 - (b) if the share has two or more joint holders, whichever of them is named first in the register of members, or
 - (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee
- 48 5 Dividend may be declared and paid in respect of any one class or sub-class of share without any obligation to declare or pay any dividend on any other class or sub-class of share

Capitalisation of Profits

49 Authority to capitalise and appropriation of capitalised sums

- 49 1 A capitalised sum which was appropriated from profits available for distribution may be applied
- (a) in or towards paying up any amounts unpaid on existing shares held by the person(s) entitled, or
 - (b) in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct

Article 36(4) of the Model Articles is modified accordingly

- 49 2 Subject to the articles, the directors may apply capitalised sums in accordance with article 49 1(a) and 49 1(b) partly in one way and partly in another

Article 36(5)(a) of the Model Articles is modified accordingly

Part 4

Decision-making by Shareholders

Organisation of General Meetings

50 Notice of general meetings

- 50 1 A general meeting of the company (other than an adjourned meeting) shall be called by notice of at least 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the shareholders having a right to attend and vote being a majority together holding not less than ninety percent in nominal value of the shares giving that right
- 50 2 Every notice convening a general meeting shall specify
- (a) the place, the date and the time of the meeting,
 - (b) the general nature of the business to be dealt with at the meeting,
 - (c) if the meeting is convened to consider a special resolution, the text of the resolution and intention to propose the resolution as a special resolution, and

- (d) with reasonable prominence, that a member is entitled to appoint another person (who does not have to be a member) as his proxy to exercise all or any rights of his to attend, speak and vote at the meeting and that a member may appoint more than one proxy in relation to the meeting (provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him) and shall also specify any more extensive rights (if any) conferred by these articles to appoint more than one proxy
- 50 3 The notice shall be given to the members (other than any who under the provisions of these articles or of any restrictions imposed on any shares are not entitled to receive notice from the company), to the directors and to the auditors and if more than one for the time being, to each of them
- 50 4 Subject to the provisions of these articles, notice of a general meeting of the company may be given
- (a) in hard copy form,
- (b) in electronic form, or
- (c) by means of a website,
- or partly by one such means and partly by another and the provisions of article 60 (*Company communications*) shall apply accordingly
- 50 5 The accidental failure to give notice of general meeting or, in cases where it is intended that it be sent out with the notice, an instrument of proxy, or to give notice of a resolution intended to be moved at a general meeting to, or the non-receipt of any of them by, any person or persons entitled to receive the same shall not invalidate the proceedings at that meeting and shall be disregarded for the purpose of determining whether the notice of the meeting, instrument of proxy or resolution were duly given
- 51 **Quorum for general meetings**
- 51 1 No business, other than the appointment of the chairman of the meeting, is to be transacted at a general meeting unless the persons attending it constitute a quorum when the meeting proceeds to business (and nothing in the articles shall prevent any other business being transacted at such general meeting if the persons attending it do not constitute a quorum from time to time thereafter throughout the meeting)
- Article 38 of the Model Articles is modified accordingly
- 51 2 Whenever the company has only one member, the member present (being an individual) in person or by proxy, or (being a corporation) by a duly authorised representative or by proxy, shall be a quorum
- 52 **Charing general meetings**
- 52 1 Article 39(2) of the Model Articles is modified by the addition, after the words "director or shareholder", of the words
- "(which may include any proxy appointed by a shareholder)"
- 53 **Adjournment**
- 53 1 Article 41(1) of the Model Articles is modified by the deletion of the words
- "or if during a meeting a quorum ceases to be present"

- 53 2 If a quorum is not present at any adjourned meeting within half an hour from the time appointed for that meeting (or if, during the meeting, a quorum ceases to be present), the meeting shall be dissolved

Voting at General Meetings

54 Voting general

No shareholder shall, unless the directors otherwise decide, be entitled to vote (either in person or by proxy) at a general meeting, at any adjournment of it or on any poll called at or in relation to it in respect of any share held by him or to exercise any right as a shareholder unless all calls or other sums presently payable by him in respect of that share in the company have been paid to the company

55 Errors and disputes

- 55 1 Article 43(2) of the Model Articles is modified by the addition, at the end of that article, of the words

"and conclusive"

56 Demanding a poll and procedure on poll

- 56 1 A poll may be demanded by

- (a) the chairman of the meeting,
- (b) the directors,
- (c) two or more persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution, or
- (d) by a person or persons holding shares in the company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up to not less than one tenth of the total sum paid up on all the shares conferring that right

Article 44(2) of the Model Articles is modified accordingly

- 56 2 A demand for a poll may be withdrawn if

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal,

and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made

Article 44(3) of the Model Articles is modified accordingly

57 Delivery of proxy notices

- 57 1 The appointment of a proxy and the power of attorney or other authority (if any) under which it is signed (or a copy of such authority certified notarially or in some other way approved by the directors) shall be sent or supplied in hard copy form, or (subject to any conditions and limitations which the directors may specify) in electronic form

- (a) to the registered office of the company, or

- (b) to such other address (including electronic address) as is specified in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the company in relation to the meeting, or
- (c) as the directors shall otherwise direct,

to be received before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll

57 2 Any instrument of proxy not so sent or supplied or received shall be invalid unless the directors at any time prior to the meeting or the chairman of the meeting at the meeting, in their or his absolute discretion, accept as valid an instrument of proxy where there has not been compliance with the provisions of this article and such proxy shall thereupon be valid notwithstanding such default

57 3 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person

57 4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

Article 46 of the Model Articles is modified accordingly

58 Revocation of proxy notices

58 1 The validity of

- (a) a vote given or poll demanded in accordance with the terms of an appointment of a proxy, or
- (b) anything done by a proxy acting as duly appointed chairman of a meeting, or
- (c) any decision determining whether a proxy counts in a quorum at a meeting,

shall not be affected notwithstanding the death or mental disorder of the appointor or the revocation of the appointment of the proxy (or of the authority under which the appointment of the proxy was executed) or the transfer of the share in respect of which the appointment of the proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been

- (a) sent or supplied to the company or any other person as the company may require in the notice of the meeting, any instrument of proxy sent out by the company in relation to the meeting or in any invitation to appoint a proxy issued by the company in relation to the meeting, in any manner permitted for the sending or supplying of appointments of proxy pursuant to the articles, and
- (b) received at the registered office of the company (or such other address (including electronic address) as has been designated for the sending or supplying of appointments of proxy), before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll

59 Votes of proxies

59 1 The company shall be under no obligation to ensure or otherwise verify that any vote(s) cast by a proxy are done so in accordance with any such instructions given by the member by whom such proxy is appointed. In the event that a vote cast by such proxy is not done so in

accordance with the instructions of the member by whom such proxy is appointed, such vote shall not be deemed to be invalid

- 59 2 On a vote on a resolution on a show of hands, where a proxy is appointed by more than one member (provided that, where some only of those members by whom the proxy is appointed instruct the proxy to vote in a particular way, those members all instruct such proxy to vote in the same way on a resolution (either "for" or "against")) such proxy shall be entitled to cast a second vote the other way in relation to any discretionary vote(s) given to him by other members by whom such proxy is appointed

Part 5

Administrative Arrangements

60 Company communications

- 60 1 Subject to the provisions of the Acts (and save as otherwise provided in the articles), any document or information required or authorised to be sent or supplied by the company to any member or any other person (including a director) pursuant to these articles, the Companies Acts or any other rules or regulations to which the company may be subject, may be sent or supplied in hard copy form, in electronic form, by means of a website or in any other way in which documents or information may be sent or supplied by the company pursuant to the Companies Acts
- 60 2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked in writing to be sent or supplied with such notices or documents for the time being
- 60 3 The provisions of the CA2006 which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts by making it available on a website shall, mutatis mutandis, apply to the sending or supplying of any document or information required or authorised to be sent by these articles or any other rules or regulations to which the company may be subject, by making it available on a website
- 60 4 The company may send or supply any document or information to a member or any other person (including a director) pursuant to these articles, the Companies Acts or any other rules or regulations to which the company may be subject, either personally, or by post in a prepaid envelope addressed to the member (or such other person) at his registered address or at his address for service, or by leaving it at that address or any other address for the time being notified to the company by the member (or such other person) for the purpose, or by sending or supplying it using electronic means to an electronic address for the time being notified to the company by the member (or such other person) for the purpose, or by any other means authorised in writing by the member (or such other person) concerned
- 60 5 A shareholder whose registered address is not within the United Kingdom and who gives the company an address within the United Kingdom to which documents or information may be sent or supplied to him or gives an electronic address to which documents or information may be sent or supplied using electronic means, shall be entitled to have documents or information sent or supplied to him at that address, but otherwise no such shareholder shall be entitled to receive any document or information from the company
- 60 6 In the case of joint holders of a share, if the company sends or supplies any document or information to one of the joint holders, it shall be deemed to have properly sent or supplied such document or information to all the joint holders
- 60 7 If, on at least 2 consecutive occasions, the company has attempted to send any document or information by electronic means to an address specified (or deemed specified) for the purpose

and a delivery failure (or other similar) notification has been received by the company, the company thereafter shall, send documents or information in hard copy form or electronic form (but not by electronic means) to such member at his registered address or address for service within the United Kingdom (whether by hand, by post or by leaving it or them at such address), in which case the provisions of article 60 8 shall apply

- 60 8 If on 3 consecutive occasions documents or information have been sent or supplied to any shareholder at his registered address or address for the service of such documents or information in the United Kingdom but have been returned undelivered, such shareholder shall not thereafter be entitled to receive any documents or information from the company until he shall have communicated with the company and supplied in writing a new registered address or address within the United Kingdom for the service of documents or information or an electronic address to which documents or information may be sent or supplied using electronic means
- 60 9 Any shareholder present, in person or by proxy at any meeting of the company or of the holders of any class of shares of the company, shall be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was called
- 60 10 Save as provided otherwise in these articles, any document or information addressed to a shareholder (or other person to whom such document or information is required or authorised to be sent pursuant to these articles, the Companies Acts or otherwise) at his registered address or address for service (in the case of a shareholder, in the United Kingdom) or electronic address, as the case may be, shall
- (a) if hand delivered or left at a registered address or other address for service (in the case of a shareholder in the United Kingdom), be deemed to have been served or delivered on the day on which it was so delivered or left,
 - (b) if sent or supplied by post (whether in hard copy form or in electronic form), be deemed to have been received at the expiration of 24 hours after the envelope was posted,
 - (c) if sent or supplied by electronic means (other than by means of website), be deemed to have been received (if sent or supplied between the hours of 9 a.m. and 5 p.m. on a working day) at the time it was sent, or (if sent or supplied at any other time) at 9 a.m. on the next following working day, and
 - (d) if sent or supplied by means of a website, be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website
- 60 11 In calculating a period of hours for the purpose of article 60 10, no account shall be taken of any part of a day that is not a working day
- 60 12 A director may agree with the company that documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than those set out in article 60 10
- 60 13 Subject to article 60 9, in proving such service or delivery it shall be sufficient to prove that the envelope containing the document or information was properly addressed and put into the post in a prepaid envelope or, in the case of a document or information sent or supplied by electronic means, that it was sent or supplied in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators entitled "Electronic Communications with Shareholders 2007" (as such guidance is amended or updated from time to time)
- 60 14 The company shall not be held responsible for any failure in transmission beyond its reasonable control and the provisions of article 60 9 to article 60 13 (inclusive) shall apply regardless of any document or information being returned undelivered and regardless of any

delivery failure notification or "out of office" or other similar response and any such "out of office" or other similar response shall not be considered to be a delivery failure

61 Company seals

Article 49 of the Model Articles is modified by the addition, after the word "directors", of the words

"or a committee of the directors"

Directors' Indemnity, Funds and Insurance

62 Indemnity and Funds

62 1 Subject to article 62 2 (but otherwise to the fullest extent permitted by law) and without prejudice to any indemnity to which he may otherwise be entitled

(a) a relevant director, secretary or other officer (other than any person engaged as auditor) of the company or an associated company may, at the discretion of the directors, be indemnified out of the company's assets against all or any part of any costs, charges, losses, expenses and liabilities incurred by that director, secretary or other officer

(i) in the actual or purported exercise of his powers in relation to the affairs of the company or associated company, and

(ii) in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme, and

(b) a relevant director, secretary or other officer (other than any person engaged as auditor) of the company or any holding company may, at the discretion of the directors, be provided with funds to meet any expenditure incurred or to be incurred by him as provided in Section 205 and/or Section 206, CA2006 (or enable him to avoid incurring any such expenditure)

62 2 This article does not authorise any indemnity or provision of funds which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

63 Insurance

63 1 Subject to the provisions of the CA2006, the directors may in their absolute discretion decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director secretary or other officer (other than any person engaged as auditor) of the company or associated company in respect of all or any part of any relevant loss