

**Company No. 3141013**

**THE COMPANIES ACTS 1985 – 1989**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**NEW  
ARTICLES OF ASSOCIATION**

**as amended by Special Resolutions passed the 22nd day of September 2009**

**OF**

**URBAN SPLASH GROUP LIMITED**

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**PRELIMINARY**

1. The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) and as further amended at the date of adoption of these Articles (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the Articles of the Company. No other regulations set out in any statute concerning companies, or in any statutory instrument or other subordinate legislation made under any statute shall apply as the Regulation or Articles of the Company.

2. In these Articles and in the Regulations of Table A that apply to the Company:-

"the Act" means the Companies Act 1985 including any statutory modification or re-enactment of it for the time being in force.

"the Articles" means the Articles for the time being of the Company.

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

"executed" includes any mode of execution.

"office" means the registered office for the time being of the Company.



"the holder"	in relation to shares means the member whose name is entered in the register of members as the holder of the shares.
"the seal"	means if the Company shall have a seal the common seal of the Company.
"secretary"	means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary.
"the United Kingdom"	means Great Britain and Northern Ireland.

2.2 In Articles 11 - 15 of these Articles :-

"Auditors"	means the auditors for the time being of the Company.
"the Board"	means the Board of Directors of the Company from time to time.
"connected person"	as defined by Section 839 of the Income and Corporation Taxes Act 1988.
"controlling interest"	means an interest (within the meaning of Schedule 13, Part 1 to and Section 324 of the Act) in shares conferring in the aggregate more than 50 per cent of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue and conferring the right to vote at all general meetings.
"equity share capital"	means any ordinary shares of £1 each for the time being in issue.
"family trust"	means a trust (whether arising under a settlement or testamentary disposition or on an intestacy) under which no beneficial interest in the shares in question is for the time being vested in any person other than a shareholder or his privileged relation.
"privileged relation"	means the spouse, parents, grandparents, children, grandchildren, brothers or sisters of a shareholder or former shareholder, any person married to such person or any stepchild or adopted child of any such person.
"shares"	means any shares for the time being in the capital of the Company; and
"shareholder"	means a holder as defined in Article 2.1.

2.3 Words and expressions which bear particular meanings in Table A shall bear the same meaning in these Articles. References in these Articles to "writing" include references to any method of representing or reproducing words in legible or non-

transitory form. Headings are for convenience only and shall not affect construction. Words importing the singular only shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing natural persons shall include also corporations.

3. The following Regulations of Table A shall not apply to the Company : 1, 3, 8, 24, 26, 35, 40, 62, 64-69 (inclusive); 73-81 (inclusive); 87, 94 - 97 (inclusive); 101, 108, 111, 115, 118.

#### **PRIVATE COMPANY**

4. The Company is a private company within the meaning of section 1 of the Act and accordingly no shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and the Company shall not allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

#### **SHARE CAPITAL**

- 5.1 The share capital of the Company is at the date of adoption of these Articles £20,000,000 divided into 20,000,000 ordinary shares of £1 each.
- 5.2 Subject to the provisions of the Act and without prejudice to Article 5.3 :
  - 5.2.1 any shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder of such shares on such terms and in such manner as may be provided by the Articles or as the Company may by ordinary resolution determine;
  - 5.2.2 the Company may purchase any of its shares (including any redeemable shares); and
  - 5.2.3 the Company may make a payment in respect of the redemption or purchase of any of its shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.
- 5.3 The unissued shares in the capital of the Company as at the date of the adoption of these Articles shall be under the control of the directors, who may (subject to Section 80 of the Act and to Article 5.7 below) allot, grant options over, or otherwise dispose of or deal with the same to such persons, on such terms and in such manner as they think fit.
- 5.4 All shares which are comprised in the authorised but unissued share capital at the date of adoption of these Articles and which the directors propose to issue shall first be offered to the members in proportion as nearly as may be to the number of the existing shares held by them respectively unless subject to Article 5.5 the Company in General Meeting shall by Special Resolution otherwise direct. The offer shall be made by notice specifying the number of shares offered, and limiting a period (not being less than fourteen days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of that period, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have within the said period, accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any

shares released from the provisions of this Article by any such Special Resolution as aforesaid shall be under the control of the directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that, in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the members. The foregoing provision of this Article 5.4 shall have effect subject to section 80 of the Act.

- 5.5 No Special Resolution by the Company referred to in the first sentence of Article 5.4 shall be an effective contrary direction for the purpose of Article 5.4 if passed such that any shares proposed to be issued are to be issued to some but not others of the members of the Company at that time.
- 5.6 In accordance with section 91(1) of the Act sections 89(1) and 90(1) to (6) inclusive of the Act shall not apply to the Company.
- 5.7 The directors are generally and unconditionally authorised for the purposes of section 80 of the Act to allot relevant securities to the amount of the authorised share capital with which the Company is incorporated at any time or times during the period of five years from the date of incorporation and the directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company in that period. The authority hereby given may at any time (subject to the said section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

#### **SHARE CERTIFICATES**

- 6. The requirement to affix the company seal to share certificates in Regulation 6 of Table A shall apply only where the Company has a seal.
- 7. Every share certificate issued by the Company shall be endorsed on the reverse side thereof with the following notice :-

*"Restrictions on transfer of and of any interest in the shares represented by this Certificate.*

*Neither the shares in the Company as shown overleaf nor any interest in them may by the Articles of Association of the Company ("the Articles") be sold, transferred, assigned, pledged, charged or otherwise dealt in or disposed of except as permitted by the Articles. Any breach of the provisions of the Articles in this respect will result in the shares being the subject of a deemed transfer notice for their disposal in accordance with the Articles."*

#### **LIEN**

- 8. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares (including fully paid shares) registered in the name of any person indebted or under liability to the Company whether he be the sole holder thereof or one of two or more joint holders for all moneys presently payable by him or his estate to the Company. The directors may at any time declare any shares to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends payable thereon.

## **CALLS ON SHARES**

9. The directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay interest at such rate not exceeding (unless the Company in General Meeting shall otherwise direct) 12 per cent per annum, as may be agreed upon between the directors and the member paying such sum in advance.
10. The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of Regulation 18 of Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

## **TRANSFER OF SHARES**

11. *Permitted transfers*
  - 11.1 Any shareholder being an individual who is solely, legally and beneficially entitled to shares and any person entitled to shares by transmission may at any time transfer shares:
    - 11.1.1 to a privileged relation (except as part of a divorce or separation settlement);
    - 11.1.2 subject to Article 11.2, to trustees to be held upon a family trust;
    - 11.1.3 to a nominee of the shareholder or, where the shareholder is nominee for any other person, to that person or a nominee for him provided that the transferor certifies that no beneficial interest in shares passes by reason of such transfer;
    - 11.1.4 to any other person with the sanction of a special resolution passed by the Company in general meeting;
    - 11.1.5 to any other shareholder with the written consent of all the directors of the Company; or
    - 11.1.6 to any other person pursuant to Article 15 (Drag Along).
  - 11.2 Where shares are held by trustees of a family trust :
    - 11.2.1 they may, on any change of trustees, be transferred to the new trustees of the family trust concerned;
    - 11.2.2 they may at any time be transferred to any person to whom the settlor could have transferred the shares under Article 11.1 had he been their holder;
    - 11.2.3 if and whenever any of the shares cease to be held upon a family trust (otherwise than in connection with a transfer by the trustees authorised under this Article 11.2) the trustees of the family trust shall, within 7 days of the cessation give (and in default shall be deemed to have given) a sale notice (as defined in Article 12.1 below) in respect of the shares in question.
  - 11.3 Any shareholder which is a body corporate may transfer any shares :

- 11.3.1 to its ultimate parent company or any other body corporate controlled directly or indirectly by its ultimate parent company provided that if such body corporate ceases to be controlled directly or indirectly by such ultimate parent company the shareholder concerned shall procure that immediately prior to it so ceasing such shares shall be transferred to another body corporate so controlled or back to the original shareholder;
- 11.3.2 to any other person with the sanction of a special resolution passed by the Company in general meeting; or
- 11.3.3 to any other shareholder with the written consent of all the directors of the Company.

## 12. *Transfer by Shareholders*

- 12.1 Any shareholder ("the retiring shareholder") wishing to transfer part or all of the shares held by him shall first give a notice in writing ("a sale notice") to the Company specifying the number and denoting numbers (if any) of the shares which he wishes to sell ("the sale shares"). The sale notice shall constitute the Company the agent of the retiring shareholder for the sale of the sale shares at market value (as determined in accordance with the provisions of Article 12.3) ("market value"). If the capital of the Company is divided into separate classes of shares a separate sale notice shall be given for each class of shares.
- 12.2 A sale notice may provide that unless all the sale shares are sold in accordance with this Article none shall be sold ("a total sale condition"). Other than expressly provided in these Articles, a sale notice shall be revocable at any time until the end of the valuation period (as defined in Article 12.3). If a retiring shareholder revokes a sale notice he may not subsequently transfer the sale shares (or any interest in them) other than in accordance with these Articles.
- 12.3 The market value of the sale shares :
  - 12.3.1 shall be determined by agreement between the retiring shareholder and the Board; or
  - 12.3.2 in default of agreement within 14 days of the date of receipt of the sale notice by the Company shall be calculated on the basis of a sale between a willing seller and a willing purchaser (as at the date of the sale notice) and shall be certified by the Auditors. In so certifying the Auditors shall act as an expert and not as an arbitrator and their decision shall be final and binding upon the parties.

For the purposes of this Article the market value of each share comprised in the Transfer Notice shall be its value as a rateable proportion of the total value of all the issued shares of the Company and shall not be discounted or enhanced by reference to the number of shares referred to in the Transfer Notice.

If the market value as certified by the Auditors is unacceptable to the retiring shareholder he may, within 7 days of the market value being so certified ("the valuation period"), revoke his sale notice by giving notice in writing to this effect to the Company. The cost of obtaining a certificate of market value shall be borne equally by the retiring shareholder and the purchasing shareholder(s) provided that if any retiring shareholder shall within the valuation period revoke his sale notice the cost of obtaining a certificate relating to such sale notice shall be borne wholly by such retiring shareholder.

- 12.4 On determination of the market value the Company shall forthwith offer the sale shares at market value to all shareholders holding shares of the same class ("the first offer") inviting each of them to state in writing within 14 days whether he is willing to purchase and, if so, the number of sale shares up to the number comprised in the sale notice. The directors shall allocate the sale shares to the shareholders who have expressed their willingness to purchase in proportion as nearly as may be to the nominal amount of their existing holdings of that class of shares in the Company. Any sale shares which are then unallocated shall be allocated to any shareholders who have expressed a willingness to purchase more than their due proportion again in proportion as nearly as may be to the nominal amount of their existing holdings of that class of shares in the Company, but no shareholder shall be obliged to purchase more sale shares than he has indicated he is willing to purchase.
- 12.5 If any sale shares remain unallocated after the first offer the Company shall forthwith offer these sale shares at market value to all shareholders other than those to whom the first offer was made ("the second offer") inviting each of them to state in writing within 14 days whether he is willing to purchase and, if so, the number of sale shares up to the number comprised in the sale notice. The directors shall allocate the sale shares to the shareholders who have expressed their willingness to purchase in proportion as nearly as may be to the nominal amount of their existing holdings of shares in the Company. Any sale shares which are then unallocated shall be allocated to any shareholders who have expressed a willingness to purchase more than their due proportion, again in proportion as nearly as may be to the nominal amount of their existing holdings of shares in the Company, but no shareholder shall be obliged to purchase more sale shares than he has indicated he is willing to purchase.
- 12.6 If the Company shall not have found purchasing shareholders in respect of all the sale shares then any remaining sale shares shall, for a period of 14 days after the expiry of the time limit specified in Article 12.4. and 12.5, be at the disposal of the directors who may offer any remaining sale shares at market value to any person as they in their discretion might choose.
- 12.7 If the Company shall not find purchasing shareholders pursuant to Articles 12.4 or 12.5 or any other purchaser pursuant to Article 12.6 for all of the sale shares or if through no default of the retiring shareholder the purchase of any of the sale shares is not completed within the time period specified in Article 12.8 the retiring shareholder shall be at liberty at any time within three months after the end of that time period to transfer any unsold sale shares or (in the case of a total sale condition) all of the sale shares to any person he may wish and at any price (not being less than the market value) and on terms not materially more favourable as to timing of payment than would apply to the shareholders under the terms of this Article 12 provided that :
- 12.7.1 the directors may require to be satisfied that the sale shares are being transferred in satisfaction of a bona fide sale at market value without any deduction, rebate or allowance whatsoever to the purchaser, and if not so satisfied may refuse to register the transfer; and
- 12.7.2 if the sale notice contained a total sale condition the retiring shareholder shall not be entitled to transfer shares under this Article 12.7 unless all the sale shares are transferred by him.
- 12.8 If the Company shall find purchasing shareholders in respect of all or (except where the sale notice contains a total sale condition) any of the sale shares in accordance with this Article 12 it shall forthwith give notice to the retiring shareholder who shall

be bound, upon payment of the appropriate consideration, to transfer the sale shares to the respective purchasers. Every such notice shall state the name and address of each purchaser, the number of sale shares to be purchased by him and the transfer shall be completed at a time and place to be appointed by the directors, not being less than 7 nor more than 14 days from the date of the notice.

12.9 If the retiring shareholder fails to transfer any of the sale shares to their purchaser(s) the directors may authorise any person to execute a transfer of the sale shares to the purchasing shareholder and the Company may give a good receipt for the purchase price of the sale shares and may register the purchasing shareholder as holders of them and issue to them certificates for them. After the name of the purchaser shall be entered into the register the validity of the proceedings shall not be questioned by any person. The retiring shareholder shall in such case be bound to deliver upon his certificate for the sale shares to the Company whereupon he shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for him but without interest. If such certificate shall comprise any share which the retiring shareholder has not become bound to transfer as aforesaid the Company shall issue to the retiring shareholder a certificate for the balance of such shares.

12.10 If trustees of a family trust are obliged by Article 11.2.3 to give a sale notice to the Company but fail to do so, they shall be deemed on the date on which the directors shall receive actual notice of such shares being held otherwise than on family trusts, to have given a sale notice in respect of them and the market value shall be ascertained by the Auditors pursuant to Article 12.3.2.

13.1 *Death or bankruptcy – Deemed transfer notice*

13.1.1 Any person becoming entitled to shares in consequence of the death or bankruptcy of any shareholder shall give a sale notice (as defined in Article 12.1) before he elects in respect of any share to be registered himself or to execute a transfer other than a permitted transfer under Article 11.

13.1.2 Subject to Article 13.1.3, if a person becoming entitled to shares pursuant to Article 13.1.1 does not either make a permitted transfer under Article 11 or give a sale notice within one year of the death or bankruptcy he shall be deemed to have given a sale notice on the anniversary of the death or bankruptcy.

13.1.3 The provisions of this Article shall not apply provided that the holders of 75% or more of the equity share capital of the Company give their consent in writing.

13.2 *Cessation of employment - Deemed transfer notice*

13.2.1 If a Shareholder or any person connected with a shareholder holding 10% or less of the equity share capital of the Company and who is either a director and/or employee of the Company ceases (for whatever reason including by virtue of unfair dismissal, reason of redundancy or wrongful dismissal) to be either a director or employee of the Company or any of its subsidiaries he or the shareholder with which he is a connected person shall be deemed to have served a sale notice pursuant to Article 12.1 in respect of his or such person's entire holding of shares (including any shares held for him pursuant to sub-articles 11.1.2 and 11.1.3) and the provisions of Article 12 shall apply in relation to them save that a sale notice deemed to be given by such



director or employee in the circumstances referred to in this Article shall not be capable of revocation other than with the consent in writing of the holders of more than 75% or more of the equity share capital of the Company.

13.2.2 In the case of termination of employment of the relevant person as a direct result of:

- (a) committing an offence or causing or permitting the Company or any subsidiary of the Company to commit an offence under any law or regulation applicable to or binding on the relevant person, the Company or any such subsidiary; or
- (b) ceasing to be eligible to hold office as a director of the Company pursuant to Article 33.1 (a) to (d) or of any subsidiary of the Company in which the relevant person holds office as a director pursuant to the Articles of Association of such subsidiary; or
- (c) breach of any material term of his contract of service; or
- (d) as a result of the relevant person terminating such contract of service with or without the notice required (other than in any of the circumstances in Article 13.2.3);

the amount to be paid for the sale shares shall be a price equal to the cash amount originally paid up by the relevant person (or by any predecessor in title to the sale shares) on the sale shares (including any share premium paid in cash) or any shares from which the sale shares are derived whether as a result of any consolidation or sub-division of shares or bonus issue, or share exchange increased by a percentage amount equal to the percentage increase in the Retail Prices Index between the date of original cash subscription and the date of payment for the sale shares.

13.2.3 The circumstances referred to in Article 13.2.2 (d) are

- (a) such that the relevant person is entitled to terminate the contract of service without notice by reason of the conduct of the Company;
- (b) that the relevant person terminates the contract of service by reason of ill-health evidenced by a medical report or certificate;
- (c) the relevant person retiring from full time work and not pursuing any gainful employment or occupation;
- (d) the relevant person terminating the contract of service after the expiration of 3 years from the date of adoption of these Articles.

13.2.4 In all other circumstances contemplated by this Article 13.2, market value shall be calculated in accordance with Article 12.3.

#### 14. *Transfers - Change of control*

14.1 Subject to Article 14.2, no sale or transfer of any shares shall be made which would result if made and registered in a person or persons (whether or not then a member of the Company) obtaining a controlling interest in the Company ("the specified shares") without the previous consent of a majority of all the holders of the issued shares unless before the transfer is lodged for registration the proposed transferee or

his nominees has made an offer (stipulated to be open for acceptance for 28 days) to purchase all the other shares at the specified price (as defined below). Every shareholder to whom the offer is made shall be bound within 28 days of the making of such offer to him either to accept or reject it in writing (and if he defaults in so doing shall be deemed to have rejected the offer).

14.2 The provisions of this Article shall not apply to the acquisition of shares by a person who is at the time an existing shareholder and the acquisition is made under the terms of a sale notice given pursuant to Article 12.

14.3 For the purpose of Article 14.1 :

14.3.1 the expressions "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renounee under any such letter of allotment; and

14.3.2 the "specified price" shall mean a price per share (not less than the market value) at least *pari passu* to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for the specified shares to their holders plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the specified shares. In the event of disagreement the calculation of the specified price shall be referred to an umpire (acting as expert and not as arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall be final and binding.

## 15. Drag Along

15.1 If the holders of the 75% or more of the equity share capital in the Company (the "Majority Sellers") wish to transfer their shares (the "Offer") to any person (the "Buyer"), pursuant to the terms of a bona fide arms length transaction, provided that:

15.1.1 each holder is offered the same consideration in all material respects (including, without limitation, value and form) for each share;

15.1.2 there is no provision that any holder of shares will receive other consideration, (whether in cash or otherwise) which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the shares to be sold by such holder, and that neither the Buyer nor any person acting by agreement or understanding with it has otherwise entered into or has agreed or proposed terms with any holder of shares for the purchase of shares which are more favourable than those entered into, agreed or proposed with or to any other holder; and

15.1.3 the terms are such that the sale and purchase of shares will be completed at the same time

then the Majority Sellers shall also have the option to require all of the other holders to transfer with full title guarantee all their shares to the Buyer, or as the Buyer directs, by giving notice in writing (the "Drag Along Notice") to that effect to all such other holders (the "Called Shareholders"). The Drag Along Notice shall

specify that the Called Shareholders are, or will, in accordance with this Article 15.1 and Article 15.2, be required to transfer with full title guarantee all their shares existing at the date of the Drag Along Notice) free from all liens, charges and encumbrances and the price (the "Proposed Price") at which such shares are proposed to be transferred which shall be an equal price per share.

- 15.2 If the Called Shareholders shall make default in transferring their Shares within any time period specified in the Drag Along Notice pursuant to Articles 15.1 and 15.2 the provisions of Article 12.9 (references therein to the retiring shareholder, sale notice, and sale shares being read as references to the holder making such default, the Drag Along Notice and the shares in respect of which such default is made respectively) shall apply to the transfer of such shares mutatis mutandis but the transfer price shall be the price offered for such shares as set out in Article 15.1 and the remaining provisions of Article 12 shall not apply.

16. *Registration of transfers*

- 16.1 The directors may refuse to register the transfer of a share which is not fully paid to a person of whom they do not approve and they may refuse to register the transfer of a share on which the Company has a lien. They may also refuse to register a transfer unless :-

16.1.1 it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;

16.1.2 it is in respect of only one class of shares; and

16.1.3 it is in favour of not more than four transferees.

- 16.2 No share shall under any circumstances be transferred to any infant, bankrupt or person of unsound mind.

### **TRANSMISSION OF SHARES**

17. Regulation 31 of Table A shall be read and construed as if the following sentence were added at the end of that Regulation :-

"Provided always that the directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days 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".

### **VARIATION OF RIGHTS**

18. If at any time the share capital is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class. To every such separate General Meeting the provisions of these regulations relating to General Meetings shall

apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.

#### **PROCEEDINGS AT GENERAL MEETINGS**

19. In accordance with Section 372(3) of the Act in every notice convening a General Meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that such proxy need not be a member of the Company. Regulation 38 of Table A shall be modified accordingly.
20. No business shall be transacted at any General Meeting unless a quorum of members is present; save as herein otherwise provided, two members present in person or by proxy or by duly authorised representative of a corporation shall be a quorum. If and so long as there is only one member the quorum for the transaction of the business of the members shall be one member present in person or by proxy or by duly authorised representative of a corporation.
21. Regulation 41 of Table A shall be read and construed as if the words "and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, such adjourned meeting shall be dissolved" were added at the end thereof.
22. If and for so long as the Company has only one member and that member takes any decision which is required to be taken in General Meeting or by means of a written resolution, that decision shall be as valid and effectual and if agreed by the Company in General Meeting save that this Article shall not apply to resolutions passed for the purposes of Sections 303 and 391 of the Act. Any decision taken by a sole member pursuant to this Article shall be recorded in writing and delivered by that member to the Company for entry in the Company's Minute Book.

#### **CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS**

23. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company. For the purposes of this Article a director or secretary of a corporation shall be deemed to be a duly authorised representative of that corporation without need for any further proof of authority.
24. Any written resolution of the members may in the case of a corporation be signed on its behalf by a director or secretary thereof or by its duly appointed representative or attorney.

#### **VOTES OF MEMBERS**

25. The instrument appointing a proxy and, if the provisions of Article 22 do not apply and if so required by the directors, any authority under which it is executed or a copy of the authority certified notarially or in some other way approved by the directors, may be delivered to the office (or to such other place or to such person as may be

specified or agreed by the directors) before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to act or, in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, before the time appointed for taking the poll, and an instrument of proxy which is not so delivered shall be invalid. For the purposes of this Article the instrument appointing a proxy shall if sent by facsimile be deemed to be delivered at the time the facsimile is received at the office (or to such other place or person as may be specified or agreed by the directors) provided that the directors shall be entitled to reject the same if in their opinion the facsimile is illegible or unclear.

#### **NUMBER OF DIRECTORS**

26. Unless and until the Company in General Meeting shall otherwise determine there shall be no maximum or minimum number of directors. If and so long as there is a sole director he may exercise all the powers and authorities vested in the directors by the Articles and in such circumstances the quorum for the transaction of the business of the directors shall be one.

#### **ALTERNATE DIRECTORS**

- 27.1 Any director (other than an alternate director) may appoint any other director,, or any other person approved by the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him. Save as otherwise provided in these Articles, unless he is already an officer of the Company in his own right, an alternate director shall not, as such, have any rights other than those mentioned in sub-article 9.2.
- 27.2 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, and to attend, speak and vote at any such meeting at which the director appointing him is not personally present but it shall not be necessary to give notice of such meeting to an alternate director who is absent from the United Kingdom. A director present at such meeting and appointed alternate director for any other directors entitled to attend and vote at such meeting shall have an additional vote for each of his appointors absent from the meeting. An alternate director shall not be entitled to receive any remuneration from the Company for his services as an alternate director.
- 27.3 An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.
- 27.4 Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors.
- 27.5 Without prejudice to Article 9.2 and save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

## **POWERS OF DIRECTORS**

28. Without prejudice to the generality of Regulations 84 and 85 of Table A, any director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a director, Provided That nothing herein contained shall authorise a director or his firm to act as auditor to the Company.
29. The directors may sanction the exercise by the Company of all the powers of the Company to make provision for the benefit of persons (including directors) employed or formerly employed by the Company or any subsidiary of the Company in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or any such subsidiary as are conferred by section 719 of the Act and the Insolvency Act 1986, s187 and, subject to such sanction, the directors may exercise all such powers of the Company.

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

30. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with Article 25 as the maximum number of directors.
31. Without prejudice to the foregoing provision the Company may by Ordinary Resolution appoint any person who is willing to act to be a director either to fill a casual vacancy or as an additional director.
32. In any case where as a result of the death of a sole member of the Company the Company has no members and no directors the personal representatives of such deceased member shall have the right by notice in writing to appoint a person to be a director of the Company and such appointment shall be effective as if made by the Company in General Meeting pursuant to Article 30.
33. The directors shall not be required to retire by rotation.

## **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 34.1 The office of Director shall be vacated if :
  - (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
  - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (c) he is, or may be, in the opinion of the other directors, a person who is, or may be , suffering from mental disorder and either :
    - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
    - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder

for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

- (d) he resigns his office by notice to the Company; or
- (e) he is removed from office under section 303 of the Act, or by Extraordinary Resolution of the Company; or
- (f) he is served with written notice under the hand of a director or the secretary of any Company which is for the time being the Company's holding company that the Board of Directors of such company has resolved that his appointment be terminated;

- 34.2 No person shall be disqualified from being or becoming a director of the Company by reason of his attaining or having attained the age of 70 years or any other age.

### **DIRECTORS GRATUITIES AND PENSIONS**

35. The directors may exercise all the powers of the Company to pay or provide and agree to pay or provide pensions or other retirement, superannuation, death or disability benefits to, or to any person in respect of any director or former director of the Company or any subsidiary or holding company of the Company or another subsidiary of any such holding company and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums (whether before or after such director ceases to hold office or employment). A director may vote at a meeting of directors in respect of any matter referred to in this article, notwithstanding that he is personally interested in such matter and shall be counted in the quorum present at the meeting.

### **PROCEEDINGS OF DIRECTORS**

36. If and so long as there is a sole director the provisions of Regulations 88 and 90 of Table A shall not apply to the Company. Where the number of directors exceeds one, the quorum necessary for the transaction of the business of the directors at a meeting of directors or of a meeting of a committee of directors shall be two directors or such other number as may be fixed in accordance with Regulation 89 of Table A.
37. Any director for the time being absent from the United Kingdom may supply to the Company an address and/or telex or facsimile transmission number whether or not within the United Kingdom to which notices of meetings of the directors may be sent and shall then be entitled to receive at such address or number notice of such meetings. Regulation 88 of Table A shall be modified accordingly.
38. A director shall not be required to hold any shares in the Company but he shall nevertheless be entitled to receive notice of and to attend and speak at any General Meeting of the Company.
39. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director may, notwithstanding his office, vote at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution as aforesaid his vote shall be

counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.

40. A director may participate in a meeting of the directors or a committee of directors of which he is a member by means of a conference telephone audio-visual link or other form of telecommunications or similar communicating equipment whereby all persons participating in the meeting can hear each other. Participation in a meeting in this manner shall be deemed to constitute presence in person at the meeting and he shall be entitled to vote and be counted in the quorum accordingly. Such meeting shall be deemed to have taken place where the largest group of those participating is assembled or, if there is no such group, at the office.

### **BORROWING POWERS**

41. The directors may exercise all the powers of the Company to borrow money without limit and upon such terms and in such manner as they think fit, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject (in the case of any security convertible into shares) to section 80 of the Act to issue debentures, debenture stock, and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party.

### **DIVIDENDS**

42. The payment by the directors of any unclaimed dividend or other monies payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect of it. Any dividend unclaimed after a period of twelve years from the date when it became due for payment shall be forfeited and cease to remain owing by the Company.

### **CAPITALISATION OF PROFIT**

43. Regulation 110 of Table A shall be read and construed as if it included a reference to any other reserve account of the Company.

### **THE SEAL**

44. If the Company has a seal it shall only be used with the authority of the directors or a committee of directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or a second director.
45. The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad.

### **NOTICES**

- 46.1 Any notice given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing. Any notice given by or on behalf of any person to the Company may be given by leaving



it at or by sending it by post to the office or such other place as the directors may appoint.

- 46.2 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of 24 hours after the envelope containing it was posted.

#### **INDEMNITY**

47. Subject to section 310 of the Act each director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 144 or section 727 of the Act in which relief is granted to him by the Court, and no director or other officer shall be liable for any loss or damage which may be incurred by the Company in the execution of the duties of his office or in relation thereto.
48. Without prejudice to the provisions of Article 46 the directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, or employees or auditors of the Company, or of any other company which is its holding company or parent undertaking or in which the Company or such holding company or parent undertaking or any of the predecessors of the Company or of such holding company or parent undertaking has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension funding which any employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund. For the purposes of this regulation "holding company", "parent undertaking" and "subsidiary undertaking" shall have the same meaning as in the Act.