

Company Number: 3210050

22  
"A"

THE COMPANIES ACTS 1985 TO 1989

---

PRIVATE COMPANY LIMITED BY SHARES

---

NEW

ARTICLES OF ASSOCIATION

-of-

TRANSPORTATION CONSULTANTS INTERNATIONAL LIMITED

-----  
(Adopted by Special Resolution passed on 25 June 1996  
as amended by Special Resolution on 8 December 1997  
as amended by a further Special Resolution on 13 August 1998)  
-----



2

## INDEX

	Page
Preliminary	
Definitions and Interpretation	
Share Capital	
Dividend Rights	
Return of Capital Rights	
Voting Rights	
Redemption Rights	
Variation of Class Rights	
Lien	
Prohibited Transfers	
Special Transfer Provisions	
Pre-emption Provisions	
Permitted Transfers	
Leavers	
Annual General Meetings	
Proceedings at General Meetings	
Nominated Directors	
Number of Directors	
Alternate Directors	
Proceedings of Directors	
Retirement by Rotation	
Borrowing Powers	

22

## **PRELIMINARY**

1.1 The regulations contained or incorporated in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 shall apply to the Company save insofar as they are excluded or modified by or are inconsistent with the regulations hereinafter contained and the regulations contained in Table A and the regulations herein contained shall be the articles of association of the Company ("the Articles").

1.2 The whole of Regulations 2, 24, 25, 40, 41, 46, 50, 51, 52, 54, 64, 65, 73, 74, 75, 80, 82, 87, 89, 96, 101 and 118, the third sentence of Regulation 88 and the last sentence of Regulation 112 of Table A shall not apply to the Company.

## **DEFINITIONS AND INTERPRETATION**

2.1 In these Articles the following expressions shall have the following meanings:-

Accounts	the audited profit and loss account of the Company or, if at the relevant time the Company has any subsidiary undertaking(s), a consolidation of the audited profit and loss accounts of the Company and its subsidiary undertaking(s), for each financial year, to be prepared under the historical cost convention and in accordance with generally accepted accounting principles and all relevant Statements of Standard Accounting Practice, Financial Reporting Standards and Statements of Recommended Practice;
Act	the Companies Act 1985;
Applicable Rate	two per cent above the base rate from time to time of Midland Bank plc;

2

Auditors	the auditors of the Company from time to time;
Available Profits	profits available for distribution within the meaning of the Act;
Board	the board of directors of the Company or any duly authorised committee thereof from time to time;
Compulsory Purchase Notice	a notice served pursuant to Article 15.1.1;
Group	the Company and its subsidiary undertaking(s) (if any) from time to time and references to Group Company and members of the Group shall be construed accordingly;
Investor	Quester VCT plc;
Investor Associate	any company, fund (including any unit trust or investment trust) or partnership which is advised or the assets of which are managed (whether solely or jointly with others) from time to time by the manager of the Investor from time to time or any other member of the manager's group of companies, being the manager's wholly-owned subsidiaries or, as the case may be, the company of which the manager is a wholly-owned subsidiary and any other wholly-owned subsidiary of such holding company;
Issue Price	the price per share at which the relevant shares are issued being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon;

5

Leaver

(a) any person who was an employee and/or a director (other than a Nominated Director or a Sponsor) of the Company or any other Group Company who has ceased (for whatever reason) to be an employee of any Group Company and any Related Person of such person who holds shares in the Company;

(b) any person who holds shares in the Company who at any time ceases (for whatever reason) to be a Related Person of an Original Participant (other than Capita);

(c) any person who on the death of a member of the Company becomes entitled to any share in the Company;

(d) any person who on the bankruptcy of a member of the Company (if an individual) or the receivership, administrative receivership, administration, liquidation or other arrangement for the winding-up (whether solvent or insolvent) of a member (if a company) becomes entitled to any share in the Company;

Leaving Date

the date on which any person becomes a Leaver;

Leaver's Shares

all of the shares in the Company held by a Leaver on the Leaving Date;

Management Trust

any trust for the purposes of acquiring shares in the Company for transfer subsequently on such terms as may be established pursuant to such trust to such

employees and for directors of the Group as the trustees may in their absolute discretion determine;

Managers

Richard Keegan, Robert Walters and Edward George Mansfield and Robert Mole;

Original Participant

each of the Managers, Robert Brighthouse, Clive Burrows, Alasdair Couper-Johnston, David Crabtree, Jeremy Martin, Andrew M<sup>c</sup>Dougall, Paul Mitchinson, Brian Newman, Norman Price, Trevor Price, Mark Turner and Raj Zala, any of their Permitted Transferees to whom their shares have been transferred, any person who acquires their shares from the Management Trust or any persons to whom their shares are transferred by such named individuals pursuant to Article 12, and Capita Group plc;

Ordinary Shares

the ordinary shares of 10 pence each in the capital of the Company;

Permitted Transferee

any person to whom shares have been or could have been transferred in accordance with Article 13;

Preference Dividend

the dividend payable pursuant to Article 4.1;

Preference Shares

the cumulative redeemable preference shares of 10 pence each in the capital of the Company;

Quotation

the admission of the whole of any class of the issued share capital of the Company to the Official List of the London Stock Exchange or to trading on the Alternative Investment Market of the London Stock

32

- 5 -

Exchange or to any other recognised investment exchange (as defined in section 207 of the Financial Services Act 1986);

Related Persons

in relation to an Original Participant or a Sponsor (being an individual), any one or more of their spouse, child, step-child or remoter issue or the trustees of any trust the beneficiaries of which are the Original Participant or the Sponsor and/or their spouse, child, step-child or remoter issue (notwithstanding one or more charities may be named as residuary beneficiaries of that trust);

Sale

the unconditional completion of the sale of the whole of the issued equity share capital of the Company to a single purchaser or to one or more purchasers as part of a single transaction;

Sponsors

each of Jonathan Cohen, David Reed, Richard Kelvin Hughes (or to the extent that shares are held by GPI Holdings Limited, that company) and Richard Britten-Long (or to the extent that shares are held by Wichenford Holdings Limited, that company);

Transfer Notice

as defined in Article 10.1;

Valuation

annual valuation of the Ordinary Shares as determined by the remuneration committee of the Board or if such valuation is disputed such valuation as is determined in accordance with Article 15.6.

2.2 The terms "subsidiary", "subsidiary undertaking", "wholly-owned subsidiary", "parent undertaking", "holding company", "financial year", "director", "body corporate" and "equity share capital" shall have the meanings respectively attributed to them at the date of the adoption of these Articles by the Act and the term "connected person" shall have the meaning attributed to it at the date of the adoption of these Articles, section 839 Income and Corporation Taxes Act 1988 and the words "connected with" shall be construed accordingly. The term "acting in concert" shall have the meaning attributed to it at the date of adoption of these Articles by the City Code on Takeovers and Mergers.

2.3 A reference to any statutory provision in these Articles:-

2.3.1 includes any order, instrument, plan, regulation, permission and direction made or issued under such statutory provision or deriving validity from it; and

2.3.2 shall be construed as a reference to such statutory provision as in force at the date of adoption of these Articles (including, for the avoidance of doubt, any amendments made to such statutory provision that are in force at the date of the adoption of these Articles); and

2.3.3 shall also be construed as a reference to any statutory provision of which such statutory provision is a re-enactment or consolidation; and

2.3.4 shall also be construed as a reference to any later statutory provision which re-enacts or consolidates such statutory provision.

2.4 References in these Articles to:-

2.4.1 any of the masculine, feminine and neuter genders shall (where appropriate) include other genders;

2.4.2 the singular shall (where appropriate) include the plural and vice versa;



2.4.3 a person shall (where appropriate) include a reference to any natural person, body corporate, unincorporated association, partnership, fund and trust;

2.4.4 "Regulations" and "Articles" are to the regulations of Table A and to the regulations contained in these Articles respectively; and

2.4.5 "from time to time" shall include the expression "for the time being" and shall mean from the time of adoption of these Articles up until the present time.

2.5 The headings in these Articles are for convenience only and shall not affect their meaning.

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

2.6.1 any direction (by way of renunciation or otherwise) by a member entitled to an allotment or issue of any share that such share be allotted or issued to some person other than himself;

2.6.2 any sale or other disposition of any legal or equitable interest in a share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing; and

2.6.3 any grant of a legal or equitable mortgage or charge over any share.

2.7 A reference in these Articles to any class of shareholder giving written directions, written consent or written notice shall mean the giving of such directions, consent or

notice by the holders for the time being of not less than 75 per cent. in nominal value of such class of shares then in issue.

2.8 In construing these Articles, general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

### **SHARE CAPITAL**

3. The authorised share capital of the Company at the date of the adoption of these Articles is £443,478.10 divided into 956,521 Preference Shares and 3,478,260 Ordinary Shares.

### **DIVIDEND RIGHTS**

4. The rights and restrictions as regards income attaching to the Preference Shares and the Ordinary Shares shall be as follows:-

4.1 The Company shall, ipso facto and without resolution of the Board or of the Company in general meeting and notwithstanding anything contained in Regulations 102 to 105 (inclusive) and before application of any profits to reserve or for any other purpose, pay to the holders of the Preference Shares a fixed cumulative preferential dividend at the rate of 10 per cent. of the Issue Price per share per annum (net of any associated tax credit) (or, in the event of either (i) a failure to pay a Preference Dividend on the due date for payment or (ii) a failure to redeem any Preference Shares on the due date, at the rate of 15 per cent. of the Issue Price per share per annum (net of any associated tax credit) with effect from such date up to and including the date of such payment or redemption) which shall be paid in four equal instalments on 31 March, 30 June, 30 September and 31 December in each year in respect of the three months ending on such date save that

the first payment shall be on 31 December 1996 in respect of the period from and including the date of issue of the shares to such date.

4.2 The Preference Dividend shall, provided the Company has sufficient Available Profits out of which to pay the same, ipso facto and notwithstanding that such dividend is expressed to be cumulative, automatically become a debt due from and immediately payable by the Company on the relevant payment date specified in Article 4.1. If and to the extent that the debt so constituted is not paid in full on the payment date concerned the unpaid amount shall carry interest at the Applicable Rate in respect of the period from and including the payment date concerned to the date of actual payment, calculated on a daily basis and compounded with quarterly rests.

4.3 If in respect of any financial year the Company is unable to pay the Preference Dividend in full on the due date by reason of having insufficient Available Profits, then the first Available Profits arising thereafter shall be applied in the following order of priority:-

4.3.1 first, in or towards paying off all arrears of the Preference Dividend; and

4.3.2 second, in or towards redeeming all Preference Shares which have not been redeemed on or by the due date for redemption specified in Article 7.2.

4.4 Subject to the application of Available Profits as required by Article 4.3 (if appropriate), to the Board recommending payment of the same and to the written consent of the holders of the Preference Shares, any further Available Profits which the Company may determine to distribute in respect of any financial year shall be distributed amongst the holders of the Ordinary Shares rateably in proportion to the number of such shares held by them respectively.

4.5 The Preference Dividend shall be deemed to accrue from day to day as well after as before the commencement of a winding-up and shall therefore be payable by a liquidator in respect of any period after such commencement in priority to other claims or rights of

members in respect of share capital (except, for the avoidance of doubt, claims for debts and interest thereon arising from non-payment of dividends pursuant to Article 4.2).

4.6 The Company shall procure that each of its subsidiaries and (so far as it is able) each of its subsidiary undertakings which has Available Profits shall from time to time declare and pay to the Company (or, as the case may be, the relevant Group Company that is its immediate holding company or parent undertaking) such dividends as are necessary to permit lawful and prompt payment by the Company of the Preference Dividend.

4.7 In Regulation 103, the words from "If the share capital is divided" to the end of the Regulation shall be deleted.

#### **RETURN OF CAPITAL RIGHTS**

5.1 On a return of capital on liquidation or otherwise (except on the redemption of shares of any class or the purchase by the Company of its own shares), the surplus assets of the Company remaining after the payment of its liabilities (including for the avoidance of doubt debts and interest thereon arising from non-payment of the Preference Dividend) shall be applied in the following order of priority:-

5.1.1 first, in paying to each holder of Preference Shares in respect of each Preference Share of which it is the holder a sum equal to the Issue Price therefor together with a sum equal to any arrears, deficiency or accruals of the Preference Dividend to be calculated down to and including the date of the return of capital and a sum equal to 30 per cent. of the Issue Price therefor and to be payable irrespective of whether payment of such a dividend or sum would be unlawful by reason of there being insufficient Available Profits and in respect of each Ordinary Share held by such holder of Preference Shares a sum equal to the Issue Price therefor;

5.1.2 second, in paying to each holder of Ordinary Shares (other than a holder who has received a payment in respect of such Ordinary Shares pursuant to Article

5.1) in respect of each Ordinary Share of which it is the holder, a sum equal to the Issue Price therefor; and

5.1.3 the balance of such assets (if any) shall be distributed amongst all the holders of the Ordinary Shares rateably in proportion to the number of such shares held by them respectively.

5.2 Whilst any Preference Shares in the Company remain in issue, in the event of a Sale, notwithstanding anything to contrary in any agreement with the purchaser or purchasers of the shares in the Company the consideration payable to the shareholders in the Company shall be apportioned as if it were surplus assets of the Company arising on a return of capital in accordance with the order of priority set out in Article 5.1

### **VOTING RIGHTS**

6.1 Subject to any rights or restrictions attached to any shares (and, in particular, to the provisions of this Article 6):-

6.1.1 on a show of hands, every member holding one or more Ordinary Shares, who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote; and

6.1.2 on a poll, every member holding one or more Ordinary Shares, who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote for each Ordinary Share of which he is the holder.

6.2 Subject to Article 6.3, the Preference Shares will entitle the holders thereof to receive notice of all general meetings but will not entitle the holders to attend or vote at any general meeting.

6.3 If at any time:-

6.3.1 the Company has failed to pay the Preference Dividend for more than 3 calendar months beyond the due date (irrespective of whether such dividend would be unlawful by reason of the Company having insufficient Available Profits) and such failure has not been remedied at the date of any general meeting;

6.3.2 the Company has failed to redeem any Preference Shares within 3 calendar months of the due date in accordance with the requirements of Article 7.2 (irrespective of whether such redemption would be unlawful by reason of the Company having insufficient Available Profits) and such failure has not been remedied at the date of any general meeting; or

6.3.3 there has been proposed a resolution for the winding up of the Company, a resolution for a reduction in the capital of the Company or a resolution varying any of the rights attaching to the Preference Shares,

then (whether on a show of hands or on a poll) the holder or holders of any Preference Shares may deposit a written notice with the Company at its registered office pursuant to this Article 6.3 and upon receipt of such notice but in no other circumstances the Preference Shares held by a holder who has deposited such notice shall entitle such holder thereof, on a show of hands, to one vote, and on a poll, to one vote for each such Preference Share.

6.4 For the avoidance of doubt, provided all the holders of Preference Shares have deposited a notice pursuant to Article 6.3 with the Company the enfranchisement provisions contained in Article 6.3 shall enable the holders of the Preference Shares together with any Ordinary Shares held by such holders for the time being in issue together:-

6.4.1 to pass written resolutions of the Company pursuant to section 381A of the Act; and

6.4.2 to consent to the holding of a general meeting of the Company on short notice pursuant to section 369(3) of the Act;

in either case, on the basis that all such holders would constitute the only members of the Company who would be entitled to attend and vote at a general meeting of the Company.

6.5 If at any time:-

6.5.1 a holder of Ordinary Shares makes or attempts to make a transfer in breach of the provisions of Articles 11 to 16 (inclusive); or

6.5.2 any holder of Ordinary Shares, or person entitled to Ordinary Shares becomes a Leaver;

then the Ordinary Shares of which such member is the holder or to which such person is entitled, any Ordinary Shares formerly held by such member which have been transferred either in breach of the provisions of these Articles or in accordance with Article [14] shall immediately cease to entitle the holder(s) thereof to voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting or at a separate class meeting) and such disenfranchisement shall continue, in the case of Article 6.5.1, for so long as such breach subsists or in the case of Article 6.5.2 until such time as the Leaver or Leaver's Permitted Transferee ceases to be a holder of such shares.

### **REDEMPTION RIGHTS**

7.1 The Company may between 1 April and 30 June in any year, within one month of having obtained the written consent of the holders of the Preference Shares, serve a Redemption Notice and at the expiration of such notice, out of any profits or moneys of the Company which may be lawfully applied for that purpose, redeem (in tranches of not less than £50,000) such total number of Preference Shares as is specified in such notice.

7.2 Notwithstanding the provisions of Article 7.1, the Company shall redeem the Preference Shares in issue in two equal instalments of £318,840 and thereafter one instalment of £318,841.70 (or such lesser figure as will redeem the balance of all the Preference Shares in issue) on 30 June in each year commencing on 30 June 1999 provided that if in any such year any Preference Shares have been redeemed in accordance with Article 7.1, the number of Preference Shares to be redeemed in that year shall be reduced accordingly.

7.3 Notwithstanding the provisions of Articles 7.1 and 7.2, the Company shall redeem all the Preference Shares then in issue immediately prior to a Sale or simultaneously with a Quotation.

7.4 Notwithstanding Articles 7.1, 7.2 and 7.3, the holders of not less than 75 per cent in nominal value of the Preference Shares may require the Company by serving on it a Redemption Notice to redeem all or part of such amount of their holding of Preference Shares as is specified in such notice upon the occurrence of any of the following events:-

7.4.1 the Company failing to pay the Preference Dividend on the due date (irrespective of whether such dividend would be unlawful by reason of the Company having insufficient Available Profits) in accordance with the requirements of Article 4.1 and such failure not having been remedied within the later of three months of the due date or seven days of receipt from the Preference Shareholders of written notice requiring remedy;

7.4.2 the Company failing to redeem any Preference Shares on the due date (irrespective of whether such redemption would be unlawful by reason of the Company having insufficient Available Profits) in accordance with the requirements of Article 7.2 and such failure not having been remedied within the later of three months after the due date or seven days of receipt from the Preference Shareholders of written notice requiring remedy;



7.4.3 the Company giving notice of a general meeting of the Company proposing a resolution for the winding up of the Company or a resolution for a reduction in the capital of the Company and such proposal not having been withdrawn within seven days of receipt of written notice from the Preference Shareholders requiring withdrawal; or

7.4.4 the special rights attaching to the Preference Shares being varied or deemed to be varied in breach of Article 9 and such breach (if capable of remedy) not having been remedied within seven days of receipt of written notice from the Preference Shareholders requiring remedy.

7.5 If on the date fixed for redemption, by reason of the provisions of the Act the Company is unable to redeem in full the number of Preference Shares falling for redemption on that date, the Company shall redeem as many of the Preference Shares as can, consistently with such provisions, properly be redeemed and the balance as soon thereafter as such provisions shall permit.

7.6 If the Company is at any time redeeming less than all the Preference Shares for the time being in issue, the number of shares to be redeemed shall be apportioned between those holders of the Preference Shares then in issue pro rata according to the number of Preference Shares held by them respectively at the date fixed for redemption.

7.7 Where Preference Shares are to be redeemed in accordance with Articles 7.1, 7.2, or 7.3, the Company shall give to the holders of the Preference Shares falling to be redeemed prior notice in writing. The notice shall specify the reason for the redemption, the particular Preference Shares to be redeemed and the date fixed for redemption (or, if not then known, the expected date for redemption) and:-

7.7.1 in the case of a redemption pursuant to Articles 7.1 or 7.2, shall not be given less than 28 nor more than 42 days prior to the date fixed for redemption; or

7.7.2 in the case of a redemption pursuant to Article 7.3, shall not be given less than 28 nor more than 42 days prior to the expected date for redemption and if the proposed Sale or Quotation does not occur within one month of the expected date for redemption there shall be no redemption and the said notice shall be revoked.

7.8 Where Preference Shares are to be redeemed in accordance with Article 7.4, the Redemption Notice shall specify the reason for the redemption and the particular Preference Shares to be redeemed. The Company shall be obliged to redeem the Preference Shares in question on the day following the receipt of such notice (which day shall be the date fixed for redemption).

7.9 On the date fixed for redemption, each of the holders of the Preference Shares falling to be redeemed shall be bound to deliver to the Company, at the Company's registered office (or such other place as the Board may reasonably determine), the certificate(s) for such of the Preference Shares concerned as are held by it (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) in order that the same may be cancelled. Upon such delivery, the Company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the Company's Register of Members in respect of such shares) the amount due to it in respect of such redemption against delivery of a proper receipt for the redemption moneys.

7.10 If any certificate delivered to the Company pursuant to Article 7.9 includes any Preference Shares not falling to be redeemed on the date fixed for redemption, a fresh certificate in respect of those shares shall be issued to the holder(s) thereof as soon as practicable thereafter (and, in any event, within 28 days thereafter).

7.11 There shall be paid on the redemption of each Preference Share an amount equal to:-

7.11.1 the Issue Price therefor;

7.11.2 a premium on redemption equal to 30 per cent of the Issue Price therefor;

7.11.3 all arrears and accruals of the Preference Dividend in respect thereof calculated down to (and including) the date of actual payment; and

7.11.4 any interest due on any such debt,

and such aggregate amount shall, subject to the Company having profits or other moneys which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the Company to the holders of such Preference Shares. If and to the extent that the debt so constituted is not paid in full on the due date, the unpaid amount shall carry interest at the Applicable Rate in respect of the period from (and including) the date fixed for redemption down to and including the date of actual payment, calculated on a daily basis and compounded with quarterly rests.

7.12 Where the Preference Shares are to be redeemed on a Quotation, each holder of Preference Shares may elect, by notice in writing to be given to the Company not less than 14 days prior to the expected date of redemption, to have all or some of its Preference Shares redeemed out of the proceeds of a new issue of ordinary shares in the Company to be subscribed by him. An election in respect of some only of his Preference Shares shall be without prejudice to the obligation of the Company to redeem the balance pursuant to Article 7.3. The giving of such notice shall confer the right on the relevant holder of Preference Shares to subscribe on a Quotation for such number of ordinary shares in the Company (at a price per ordinary share equal to, in the case of an offer for sale, the underwritten price or (as the case may be) the striking price per ordinary share, and, in the case of a placing, at the placing price per ordinary share) as will have an aggregate subscription value equal to that portion of the aggregate amount payable on the redemption of the Preference Shares as is specified by Article 7.11.1. The Company shall apply the proceeds of such subscription in the redemption of the aforesaid Preference Shares.

7.13 As from and including the date fixed for redemption, the Preference Dividend in respect of any Preference Shares falling to be redeemed on such date shall cease to accrue except on any Preference Share in respect of which, on due presentation of the

certificate relating thereto or an appropriate indemnity in respect of a lost certificate, payment of the redemption moneys is refused.

#### **VARIATION OF CLASS RIGHTS**

8. Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holders of 75 per cent in nominal amount of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class, but not otherwise. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons holding or representing by proxy at least one third in nominal amount of the issued shares of that class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present any member or members who are present shall be a quorum), and the holders of shares of each class shall, on a poll, have one vote in respect of every share of the class held by them respectively provided that, without prejudice to the generality of this Article, the special rights attached to the Preference Shares shall be deemed to be varied by the issue of any shares ranking pari passu or in priority to the Preference Shares as regards dividend or return of capital.

#### **LIEN**

9. The lien conferred by Regulation 8 shall attach to all shares of any class, whether fully paid or not, and to all shares registered in the name of any person indebted or under liability to the Company, whether he be the sole registered holder thereof or one of two or more joint holders. Regulation 8 shall be modified accordingly.

### **PROHIBITED TRANSFERS**

10. Notwithstanding any other provisions of these Articles, a holder of one or more Ordinary Share(s) except for the Investor or an Investor Associate shall be prohibited from (i) serving a Transfer Notice under Article 12 or (ii) effecting a transfer (other than in any case a transfer in accordance with Articles 13 or 15 or pursuant to provisions of Article 11) of such share(s), in either case without (i) whilst any Preference Shares remain in issue the prior written consent of the holders of the Preference Shares or (ii) at any other time, the prior written consent of the holders of a majority of the Ordinary Shares.

### **SPECIAL TRANSFER PROVISIONS**

#### **Transfer of a significant interest**

11.1 Without prejudice to the provisions of Article 13, no sale or transfer of any Ordinary Shares ("the specified shares"), which if made and registered would result in a person or persons acting in concert obtaining a Significant Interest (as defined in Article 11.2.1) in the Company, shall be made or registered:-

11.1.1 without the previous written consent of the holders of 75 per cent in nominal value of the Preference Shares then in issue, unless before the transfer is made the Company shall have redeemed all the Preference Shares or the holders of the Preference Shares shall have received an offer to purchase all such shares held by them for a price per share equal to the amount which would have been payable if they had been redeemed on the date of such offer grossed up at the rate of corporation tax then in force calculated down to the date of transfer; and

11.1.2 unless the proposed transferee has offered to purchase all of the Ordinary Shares at the Specified Price (as defined in Article 11.2.3).

11.2 For the purpose of this Article 11:-

112.1 the expression "Significant Interest" shall mean shares conferring in the aggregate 30 per cent or more of the total voting rights conferred by all the equity share capital of the Company for the time being in issue to vote at all general meetings;

11.2.2 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;

11.2.3 the expression "the Specified Price" shall mean a consideration per share at least equal to the aggregate of (1) that offered or paid or payable by the proposed transferee for each of the specified shares; and (2) 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; and in the event of disagreement as to the amount of the Specified Price, its calculation shall be referred to an umpire (who shall act as an expert and not as an arbitrator) nominated by 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 upon the application of any of such parties) who shall value the shares on the basis of a sale as between a willing vendor and a willing purchaser of the entire equity share capital of the Company in the open market taking into account the fact that the Company is a private limited company and hence the marketability of the shares of the Company is restricted but disregarding the fact that the relevant shares constitute a minority, majority or any other particular holding of shares in the Company and whose decision shall be final and binding; and

11.2.4 the expression "persons acting in concert" shall mean any persons who pursuant to an agreement or understanding (whether formal or informal) actively co-operate with each other through the acquisition by any of them of shares in the Company to obtain in aggregate a Significant Interest in the Company and, without

prejudice to the generality of the foregoing, the following persons shall for the purposes of this Article be deemed to be persons acting in concert with a transferee namely:-

11.2.4.1 if the transferee is a body corporate, any director of, or shareholder in, the transferee or any person connected with such director or shareholder;

11.2.4.2 any person who is connected with the transferee; and

11.2.4.3 if the transferee is a body corporate, any body corporate which in relation to the transferee is a subsidiary, a holding company or a fellow subsidiary of such holding company.

11.3 The provisions of this Articles 11.1 and 11.2 shall not apply to a transfer pursuant to Article 12, a transfer permitted by Article 13 or pursuant to Article 15.

#### **Drag-along**

11.4 If a bona fide offer on arm's length terms is made by or on behalf of any person(s) to all members of the Company to purchase all the Ordinary Shares in issue including an offer made by a person or persons pursuant to Article 11.1 (but excluding any offers made pursuant to Article 12) then if the holders of 60 per cent. of the issued Ordinary Shares including the Investor and any Investor Associate ("the accepting shareholders") have accepted such offer within 21 days of the making of the offer to all the members of the Company and subject always to the provisions of Article 10.1, the provisions of Articles 11.5 to 11.7 shall apply. On receipt of an offer made pursuant to this Article 11.4, the accepting shareholders shall promptly notify all the other members of the Company which have not accepted such offer within such 21 day period ("the non-accepting shareholders") and the accepting shareholders shall consult with the non-accepting shareholders over what action to take in respect of such offer.

11.5 Following the end of the 21 day period referred to in Article 11.4 having consulted with the non-accepting shareholders pursuant thereto, the accepting shareholders may serve a notice in writing on the non-accepting shareholders requiring them to accept such offer.

11.6 Upon the giving of a valid notice to the non-accepting shareholders pursuant to Article 11.5, the non-accepting shareholders shall:-

11.6.1 be deemed to have accepted the offer in respect of all shares held by them in accordance with the terms of the offer and to have irrevocably waived any pre-emption rights that they may have in relation to the transfer of any such shares; and

11.6.2 be obliged to deliver to the proposed transferee or his nominee an executed transfer of such shares and the certificate(s) in respect of the same, together with an executed waiver of all such pre-emption rights.

11.7 If any such non-accepting shareholder as is referred to in Article 11.5 shall not, within 14 days of being required to do so, execute transfers and pre-emption waivers in respect of the shares held by him, then the directors shall be entitled to, and shall be entitled to authorise and instruct such person as they think fit to execute the necessary transfers on his behalf and, against receipt by the Company (on trust for such member) of the purchase monies payable for the relevant shares, deliver such transfer(s) and pre-emption waivers to the proposed transferee or his nominee and register such transferee or his nominee as the holder thereof, and after such transferee or his nominee has been registered as the holder, the validity of such proceeding shall not be questioned by any person. As security for the obligations above, each member of the Company irrevocably appoints each of the other members of the Company as its attorney to execute and do all such deeds, documents and things, in the name of, and on behalf of the relevant member as may be required to give full effect to the provisions of this Article 11.7.



11.8 Subject always to Article 11.1 the provisions of Articles 11.4 to 11.7 apply notwithstanding any other provisions of these Articles.

#### **PRE-EMPTION PROVISIONS**

12.1 Except in the case of a transfer pursuant to Article 13, every member who wishes to transfer any Ordinary Shares ("the Vendor") shall give notice in writing of such wish to the Company ("the Transfer Notice").

12.2 Each Transfer Notice shall:-

12.2.1 relate to one class of shares only;

12.2.2 specify the number of shares which the Vendor wishes to transfer ("the Sale Shares");

12.2.3 specify the identity of the person to whom the Vendor intends to transfer the Sale Shares ("the Proposed Transferee");

12.2.4 the price per share ("Sale Price") at which the Sale Shares held by a Vendor other than the Investor or any Investor Associate are to be transferred shall be 90 per cent. of the then current Valuation pro rata the Sale Shares in proportion to the entire issued share capital of that class of shares at that time, and in the case of Sale Shares held by the Investor or any Investor Associate specify the price per share ("the Sale Price") at which the Vendor is prepared to transfer the Sale Shares;

12.2.5 be deemed to constitute the Company the Vendor's agent for the sale of the Sale Shares at the Sale Price in the manner prescribed by these Articles; and

12.2.6 not be varied or cancelled (without the prior written consent of the Board).

12.3 The Vendor may provide in the Transfer Notice that unless purchasers are found for all or not less than a specified number of the Sale Shares, he shall not be bound to transfer any of such shares ("a Minimum Transfer Condition") and any such provision shall be binding on the Company.

12.4 The Company shall, within fourteen days of receipt of a Transfer Notice, offer for purchase each of the Sale Shares to each member (other than the Vendor) in the order set out in the table below dependent on the identity of the Vendor at the Sale Price and invite each of them to state in writing within 28 days of the date of despatch of such offer whether he is willing to purchase any, and if so how many, of the Sale Shares.

12.5 If the said members or any of them shall, within such 28 day period, apply for any of the Sale Shares, the Company shall allocate those Sale Shares which have been applied for on the basis set out in the table below, depending on the identity of the Vendor (as set out in Column 1), to each category of persons who are members at the date of the Transfer Notice set out in the corresponding time in Columns (2) and (3) (in that order of priority), provided that if such persons in any particular category have applied in aggregate for a greater number than the Sale Shares, such applications shall be scaled down by the Company on such basis as the Board considers (in its absolute discretion) to be fair and reasonable:-

(1) Identity of Vendor	(2) First to	(3) Second to	(4) Third to
Sponsors	Sponsors	As to 30 per cent. of the Sale Shares to the Investor or an Investor Associate, and as to the balance (including any Sale Shares not taken up by the Investor or an Investor Associate) to the Management Trust (or if not in existence the Original Participants)	Original Participants
Investor or an Investor Associate	As to 50 per cent. of the Sale Shares to the Sponsors, and as to the balance (including any Sale Shares not taken up by the Sponsors) to the Management Trust	Original Participants	-

Original Participants and Managers	Management Trust (or if not in existence the Original Participants and the Managers)	Original Participants and Managers	Sponsors and the Investor or an Investor Associate
------------------------------------	--	------------------------------------	--

12.6 If and to the extent that any of the Sale Shares are not applied for by members of the Company within the said period of 28 days, the Company may by notice in writing (given at any time within the period of seven days after the expiry of the said 28 day period) invite any person or persons selected by the Board to apply for any of the Sale Shares not applied for by the members of the Company at the Sale Price or the Sale Shares may be offered to the Company for re-purchase (subject to compliance with the provisions of Chapter VIII of the Act) by the Company at the Sale Price if the Board so determine. If a person or persons so selected by the Board shall apply within seven days of such invitation for any Sale Shares, the Company shall allocate to him or them such number of Sale Shares as it in its absolute discretion decides.

12.7 No person shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase. An allocation of Sale Shares made by the Company pursuant to Article 12.5 or Article 12.6 shall constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them.

12.8 Notwithstanding the provisions of Articles 12.5 and 12.6, if the Transfer Notice contains a Minimum Transfer Condition the Company may not make an allocation of Sale Shares unless and until it has found purchasers for the minimum number specified in any Minimum Transfer Condition.

12.9 The Company shall forthwith upon allocating any Sale Shares give notice in writing ("a Sale Notice") to the Vendor and to each person to whom Sale Shares have been so allocated, of the number of Sale Shares so allocated and the aggregate price payable therefor. Completion of the sale and purchase of those Sale Shares in accordance with the Sale Notice shall take place within seven days after the date of the Sale Notice whereupon the Vendor shall, upon payment of the price due in respect thereof, transfer

those Sale Shares specified in the Sale Notice to the person or persons to whom they have been allocated and deliver the relative share certificates.

12.10 If in any case the Vendor, having become bound as aforesaid, makes default in transferring the Sale Shares, the Company may receive such purchase money and may nominate some person to execute an instrument of transfer of such Sale Shares in the name and on behalf of the Vendor and thereafter, when such instrument has been duly stamped, the Company shall cause the name of the proposed transferee to be entered in the Register of Members as the holder of such Sale Shares and where applicable shall hold the purchase money in trust (without interest) for the Vendor. The receipt of the Company for the purchase money shall be a good discharge to the proposed transferee (who shall not be bound to see to the application thereof) and, after his name has been entered in the Register of Members in purported exercise of the aforesaid powers, the validity of the proceedings shall not be questioned by any person.

12.11 If all the Sale Shares are not sold under the pre-emption provisions contained in Articles 12.1 to 12.10 (inclusive) the Company shall (forthwith upon the exhaustion of such provisions) so notify the Vendor and the Vendor may at any time, within three calendar months after receiving such notification, transfer any Sale Shares not sold to the Proposed Transferee at any price not less than the Sale Price, provided that:-

12.11.1 the Board shall be entitled to refuse registration of the Proposed Transferee if he is or is believed to be a nominee for a person reasonably considered by the Board to be a competitor or connected with a competitor of the business of the Group;

12.11.2 if the Vendor stipulated in the Transfer Notice a Minimum Transfer Condition which has not been satisfied, the Vendor shall not be entitled, save with the written consent of all the other members of the Company, to sell any number of Sale Shares which is less than the number specified in such Minimum Transfer Condition; and

12.11.3 any such sale shall be a bona fide sale and the Board may require to be satisfied (in such manner as it may reasonably think fit) that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Sale Price without any deduction, rebate or allowance whatsoever to the Proposed Transferee and if not so satisfied may refuse to register the instrument of transfer.

### **PERMITTED TRANSFERS**

13. A member or members may at any time transfer any share:-

13.1 if held by an Investor to any of its Investor Associates;

13.2 if held by an Investor to the beneficial owners of shares or units in any company, fund (including any unit trust or investment trust) or to the partners of any partnership, which is advised or the assets of which are managed (whether solely or jointly with others) from time to time by any member of an Investor Group;

13.3 if held by an Investor to another Investor;

13.4 if held by an Investor, to any person who becomes a manager, trustee or adviser of a company, fund or partnership managed or advised by the Investor in place of that Investor;

13.5 if held by an Investor or Investor Associate, to any person who will hold the shares only as a nominee for such Investor or Investor Associate or if held by a nominee of an Investor or Investor Associate to such Investor or Investor Associate;

13.6 if held by a Manager or a Sponsor by that Manager or a Sponsor or by his legal personal representatives to a Related Person over the age of eighteen years;

13.7 if such member holds such share or shares as a result of a transfer made after the date of the adoption of these Articles by a person in relation to whom such member is a

Permitted Transferee to the person who originally transferred such shares or any other Permitted Transferee, of such original transferor;

13.8 if held by the trustees of a trust the beneficiaries of which are the Managers or the Sponsors or their Related Persons:-

13.8.1 upon any change of trustees, to the new or remaining trustee or trustees for the time being of such trust; and

13.8.2 to the settlor and/or any of the Related Persons of the settlor on their becoming entitled to the same under the terms of the trust;

13.9 to the trustees of a trust established to encourage or facilitate the holding of shares in the Company by bona fide full-time employees of the Company or any other Group Company or any section of such employees including without limitation the Management Trust; or

13.10 if a trustee of any trust referred to in Article 13.9;

13.10.1 upon any change of trustees, to the new or remaining trustee or trustees for the time being of such trust; and

13.10.2 to any bona fide full-time employees of the Company or any other Group Company on their becoming entitled to the same under the terms of the trust; or

13.11 if held by Wichenford Holdings Limited to Laird Strategic Limited.

14.1 For the purpose of ensuring that a transfer of shares is duly authorised hereunder, the Board may from time to time, require:-

14.1.1 any member or the legal personal representatives of any deceased member; or

14.1.2 any person named as transferee in any transfer lodged for registration; or

14.1.3 such other person as the Board or any such holder may reasonably believe to have information relevant to such purpose;

to furnish to the Company such information and evidence as the Board may think fit regarding any matter which they deem relevant to such purpose including the names, addresses, ages and interests of all persons respectively having interests in the shares from time to time registered in the member's name and the Board may refuse to register the relevant transfer until it has received such information and evidence.

### **LEAVERS**

15.1 Whenever any person becomes a Leaver, the provisions of this Article 15 shall apply notwithstanding the other provisions of these Articles. The Company will if directed in writing by the holders of a majority of Ordinary Shares and may if the written consent of the holders of a majority of Ordinary Shares is obtained, within the period commencing on the relevant Leaving Date and expiring at midnight on the first anniversary of such date:-

15.1.1 serve a notice on any Leaver in respect of all of that Leavers' Shares; or

15.1.2 serve a notice on any Leaver notifying him that he may retain all or some of his Leaver's Shares; or

15.1.3 serve a notice on any Leaver notifying him that the provisions of Article 15.3 shall apply in respect of his Leaver's Shares notwithstanding the fact that such notice is served prior to midnight on the first anniversary of the Leaving Date;

and the references to the "Leaver's Shares" in Article 15.2 shall be construed as references to such number of Ordinary Shares as the Leaver holds. Any notices served under this Article 15.1 shall be in writing and sent to the address of the relevant member

in the register of members for the time being and from time to time or last known address (if different).

15.2 Whenever a Compulsory Purchase Notice is served in accordance with Article 15.1.1:-

15.2.1 the Company will, within five days of the date of service of the Compulsory Purchase Notice, serve notice on the relevant holder(s) of the Leaver's Shares stating that a Compulsory Purchase Notice has been served and notifying such holder(s) of the expected date for the purchase of the Leaver's Shares (provided that such notice shall be served not less than three clear days prior to the date upon which actual completion of the purchase is expected to take place);

15.2.2 the Company shall effect the purchase of the Leaver's Shares in accordance with such lawful method the Board may determine. Relevant shareholder approval for the purchase of the Leaver's Shares must be obtained within 90 days of the date on which the Company serves the Compulsory Purchase Notice and completion of the purchase of the Leaver's Shares by the Company must take place within 30 days of the date upon which the Company becomes lawfully able to purchase the Leaver's Shares in accordance with the Act, failing which the Compulsory Purchase Notice shall be deemed to have been withdrawn;

15.2.3 the price to be paid by the Company for each of the Leaver's Shares will be:-

- (i) in the case of any person who becomes a Leaver except by reasons of his gross misconduct, his own illness or incapacity or his own death within 18 months of the date of adoption of these Articles, the lower of the Issue Price and the then current Valuation of each Leaver's Share; and



(ii) in the case of any persons who becomes a Leaver within 18 months of the date of adoption of these Articles by reason of his retirement, his own illness or incapacity or his own death, the Issue Price;

(iii) in the case of any person who becomes a Leaver on a date which is more than 18 months after the adoption of these Articles except by reason of his gross misconduct, his retirement, his own incapacity or illness or his own death, the higher of the Issue Price and 90 per cent. of the then current Valuation of each Leavers' Share;

(iv) in the case of any person who becomes a Leaver on a date which is more than 18 months after the date of adoption of these Articles by reason of his retirement, his own incapacity or illness or his own or some other person's death the higher of the Issue Price and the then current Valuation of each Leaver's Share; and

(v) in the case of any person who becomes a Leaver at any time by reason of his gross misconduct the lower of the Issue Price and 50 per cent. of the then current Valuation of each Leaver's Shares, gross misconduct for the purposes of this Article 15.2.3 meaning either bringing the Company into disrepute or being convicted of a criminal offence (other than a minor road traffic offence) which could be punishable by a term of imprisonment.

15.2.4 completion of the sale and purchase of the Leaver's Shares shall take place at the registered office of the Company (or at such other place as the Board may reasonably determine) and, at completion, the Leaver shall deliver (or procure the delivery of) a duly signed stock transfer form or forms in respect of his Leaver's Shares together with the relative share certificates or, if such certificate is lost, together with a form of indemnity for lost certificate in a form reasonably acceptable to the Board. Upon receipt of the duly signed stock transfer form or forms and the relevant share certificates the Company shall pay the aggregate

purchase price for the Leaver's Shares to the relevant holder thereof by way of cheque; and

15.2.5 if any Leaver fails to attend completion of the sale of his Leaver's Shares or attends completion but does not present duly executed stock transfer forms in respect of his Leaver's Shares and relative share certificates and/or indemnities for any lost certificates, the Company may receive the purchase money due to the Leaver and may nominate some person to execute an instrument of transfer of the Leaver's Shares in the name of and on behalf of the Leaver. When such instrument has been duly presented for stamping, the Company shall cause the name of the Leaver to be deleted from the Register of Members and the Leaver's Shares to be cancelled and, where applicable, shall hold the purchase money in trust without interest for the Leaver. After the name(s) of the Leaver has been deleted from the Register of Members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

15.3 If at midnight on the first anniversary of the relevant Leaving Date, the Company has not served (a) notice(s) pursuant to Article 15.1.1 in respect of all the Leaver's Shares or if, at any time prior to such time and date, the Company serves (a) notice(s) pursuant to Article 15.1.3, any Leaver shall be deemed to have served a Transfer Notice in respect of all of his Leaver's Shares and the provisions of Articles 12.2 to 12.10 (inclusive) shall apply mutatis mutandis to any such Transfer Notice, provided that for these purposes:-

15.3.1 the Sale Shares shall comprise the above-mentioned shares;

15.3.2 no Proposed Transferee shall be specified in the Transfer Notice;

15.3.3 the Sale Price shall be the price for the Sale Shares determined on the basis set out in Article 15.2.3; and

15.3.4 there shall be deemed to be no Minimum Transfer Condition.

15.4 For the purpose of ensuring that no circumstances have arisen where the provisions of this Article 15 would apply, the Board may require:-

15.4.1 any member or the legal personal representative of any deceased member;  
or

15.4.2 any person named as transferee in any transfer lodged for registration; or

15.4.3 such other person as the Board or any such holder may reasonably believe to have information relevant to such purpose;

to furnish to the Company such information and evidence as the Board may think fit regarding any matter which they deem relevant to such purpose including the names, addresses, ages and interests of all persons respectively having interests in the shares from time to time registered in the member's name and if such information and evidence is not so furnished, or if as a result of such information and evidence the Board is reasonably satisfied that an event giving rise to a Leaver has occurred, the provisions of this Article 15 shall apply.

15.5 Each member of the Company hereby irrevocably appoints the Company as his attorney (with the power to appoint any member of the Board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had been originally appointed by this Power of Attorney) to give effect to the provisions of this Article 15.

15.6 The then current Valuation of shares for any purposes under these Articles including Article 12 and this Article 15 may be disputed by the relevant shareholder within 14 days of the date of the Transfer Notice or the notice given pursuant to Article 15.1 (as appropriate) whereupon the Valuation shall be such sum as may be determined by an independent firm of chartered accountants nominated by the Board as umpire and certified by them to the Company as representing, as at the date at which the Transfer Notice or the notice given pursuant to Article 15.1 (as appropriate) is given, in their opinion the market value thereof on the basis of a sale as between a willing vendor and a willing

purchaser of the entire issued share capital of the Company in the open market taking into account all such factors as the umpire may deem relevant including, but not by way of limitation, the fact that the Company is a private limited company and hence the marketability of the shares and disregarding the fact that the said shares constitute a minority, majority or any other particular holding of shares in the Company or that the transfer of shares is restricted by these Articles. The umpire shall certify the market value as soon as possible after being instructed by the Company and in so certifying, the umpire shall be deemed to be acting as experts and not as arbitrators and the Arbitration Acts 1950-79 shall not apply. The certificate of the umpire shall be final and binding. The Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall, subject to complying with the Act, be borne by the Company.

#### **ANNUAL GENERAL MEETINGS**

16.1 The Board shall procure that the Annual General Meeting in respect of each financial year of the Company shall be convened to take place not later than 45 days after the date of the Auditors' report relating to the Accounts for the relevant financial year.

16.2 The Board shall cause to be laid before each such Annual General Meeting the Accounts for the relevant financial year, together with the respective reports thereon of the directors and the Auditors.

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

17.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and, subject to Article 17.2, for its duration. Three persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum and whilst any Preference Shares remain in issue and any Ordinary Shares are held by holders of such Preference Shares

one of whom shall be a holder of Ordinary Shares or a proxy for or a duly authorised representative of such holder.

17.2 If within half an hour from the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present for a period exceeding 10 minutes, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other time and place as the members present may decide and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the member or members present shall constitute a quorum.

17.3 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded at any general meeting by the Chairman, or by any member present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a member entitled to vote.

17.4 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board must be delivered to the registered office of the Company not less than 48 hours before the time appointed for the holding of the meeting or to the place of the meeting at any time before the time appointed for the holding of the meeting and Regulation 62 shall be modified accordingly.

17.5 When a poll has been demanded it shall be taken immediately following the demand.

17.6 The Chairman of the meeting shall not, in the case of an equality of votes, whether on a show of hands or on a poll, be entitled to exercise any second or casting vote.

17.7 With respect to any such resolution in writing as is referred to in Regulation 53 of Table A, in the case of a corporation which holds a share, the signature of any director or the secretary thereof shall be sufficient for the purposes of Regulation 53.

### **NOMINATED DIRECTORS**

18.1 Whilst the Investor or an Investor Associate holds any Preference Shares or any Ordinary Shares, the Investor or Investor Associate (as appropriate) shall have the right at any time and from time to time to appoint any one person to be a director of the Company and any such person to be a director of each subsidiary and each subsidiary undertaking of the Company (each such person a "Nominated Director") and, in relation to such right, the following provisions shall have effect:-

18.1.1 any such appointment shall be effected by notice in writing to the relevant Group Company signed by such holders who may in like manner at any time and from time to time remove from office any director so appointed and appoint any person in place of any director so removed or otherwise vacating office;

18.1.2 each such appointment and removal shall take effect forthwith upon such notice being received by the Company and the provisions of Regulation 76 shall be read subject to this Article 18; and

18.1.3 only the Preference Shares shall confer upon the holders thereof the right to vote upon any resolution pursuant to section 303 of the Act for the removal of any Nominated Director for the time being holding office pursuant to this Article.

18.2 Notice of meetings of directors shall be served on each Nominated Director at the address notified by him to the Company for this purpose whether he shall be present in or absent from the United Kingdom and if he has appointed an alternate director on such alternate director at the address notified by such alternate director to the Company.

### **NUMBER OF DIRECTORS**

19. The number of directors (including the Nominated Directors but excluding alternate directors) shall not be less than one but there shall be no limit on the number of directors.

### **ALTERNATE DIRECTORS**

20. A director (other than an alternate director) may appoint any other director or, in the case of the Nominated Directors any other person whomsoever or, in the case of any other director, any other person approved by resolution of the Board and willing to act, to be an alternate director and may remove from office an alternate director so appointed.

21. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

22. Any director of the Company who is appointed an alternate director shall be entitled to vote at a meeting of the Board on behalf of the director so appointing him as distinct from the vote to which he is entitled in his own capacity as a director of the Company and shall also be considered as two directors for the purpose of making a quorum of directors unless he is the only individual present.

### **PROCEEDINGS OF DIRECTORS**

23. The directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Any two directors of whom one shall be a Nominated Director shall constitute a quorum and a quorum of directors must be present throughout all meetings of the Board. The Chairman of the meeting shall not have a second or casting vote, in the case of an equality of votes, and the fifth sentence of Regulation 88 shall not apply to the Company.

23(a) In Regulation 72 the following shall be substituted for the first sentence:

"The directors may delegate (subject to such terms and conditions as they may decide) all or any of their powers to a committee consisting of such persons as the directors may appoint (whether or not they are directors but subject to at least one member of the committee being a director of the Company) including without limitation, the boards of any holding or subsidiary company of the Company or any company having the same holding company as the Company (subject to there being at least one director of the Company being a director of the board of any such holding or subsidiary company of the Company or any company having the same holding company as the Company)."

24. Any director or alternate director may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that fewer than two directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.

#### **RETIREMENT BY ROTATION**

25. The directors shall not be liable to retire by rotation and the words "by rotation or otherwise" and "and deemed to have been reappointed" in Regulation 67, "other than a director retiring by rotation" in Regulation 76, "(other than a director retiring by rotation at the meeting)" in Regulation 77, "and may also determine the rotation in which any



additional directors are to retire" in Regulation 78, the last two sentences of Regulation 79 and the last sentence of Regulation 84 shall not apply to the Company.

### **BORROWING POWERS**

26. The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and assets (present or future) and uncalled capital and, subject to that Act, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.