

**Company Number: 3418634**



**COMPANIES ACT 1985 TO 1989**  
**COMPANY LIMITED BY SHARES**

**RESOLUTION**

of

**GMAP LIMITED**  
**("the Company")**

(passed the 24<sup>th</sup> June 1999)

At an **EXTRAORDINARY GENERAL MEETING** of the Company duly convened and held on the 24<sup>th</sup> day of June 1999, the following resolutions were duly proposed and passed as special resolutions:-

1. That the existing article 5.2.2 of the articles of association of the Company ("the Articles") be deleted and replaced with the following Article:-

"5.2.2 If a Shareholder, (being also a Director, employee or consultant of the Company) ceases to be such a Director, employee or consultant of the Company other than by reason of his death or mental incapacity."

2. That the Articles be amended by the insertion of the following Articles as Articles 5.2.3, 5.3 and 5.4 respectively and by the renumbering of the existing Articles 5.3, 5.4, 5.5 and 5.6 respectively as Articles 5.5, 5.6, 5.7 and 5.8 respectively:-

"5.2.3 the occurrence of an event as set out in Article 5.3"

5.3.1 If an Acquiring Shareholder acquires Shares in pursuance of rights or interests obtained by an Obtaining Shareholder, then the Acquiring Shareholder shall be deemed to be a Retiring Party and to have served a Deemed Transfer Notice, upon the Obtaining Shareholder ceasing to be a Director or employee of the Company (other then by reason of his death or mental incapacity).

5.3.2 For the avoidance of doubt, if an Obtaining Shareholder has ceased to be a Director or employee of the Company before the Acquiring Shareholder acquires Shares as referred to in Article 5.3.1, then a Deemed Transfer Notice shall be deemed to have been served by the Acquiring Shareholder upon his acquisition of those Shares.

5.4 For the purposes of Article 5.3.:-

5.4.1 "Acquiring Shareholder" means any person who is not (or who has ceased to be) a Director or employee of the Company;

5.4.2 "Obtaining Shareholder" means a person who is also a Director or employee of the Company".

3. That the Articles be amended by the insertion of the following as Article 9.6:

"9.6 The Transfer Price must be paid in money."

4. That the GMAP Limited Employees Share Option Scheme ("the Scheme") to be constituted in accordance with the rules set out in pages 1 to 10 of the document attached to this resolution and signed by the Chairman for identification purposes, be approved and adopted by the Company.

5. That the directors of the Company ("the Directors") be authorised to do all acts and things which they may consider to be reasonably necessary or expedient for the purpose of securing approval of the same by the Board of the Inland Revenue pursuant to the provisions of the Income and Corporation Taxes Act 1988.

6. That the Directors be authorised to vote and be counted in a quorum in any meeting of the Directors at which any matters connected with the Scheme are under consideration notwithstanding that they may be interested in the same in any present or proposed capacity whatsoever, and that this resolution shall operate so far as is necessary by way of suspension and relaxation of any prohibitions on interested Directors voting contained in the Articles, provided that no Director may vote or be counted in the quorum in the consideration of any matter concerning his individual rights of participation in the Scheme.

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Chairman

Filed by:-

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## RULES OF THE GMAP LIMITED

### EMPLOYEES SHARE OPTION SCHEME

#### 1. Definitions

1.1 In these Rules the following words and expressions have the following meanings:-

“Announcement Date”	the date on which the annual or half-yearly results of the Company are announced.
“Appropriate Period”	the meaning given in Paragraph 15(2) of Schedule 9.
“Approval Date”	the date on which the Scheme is approved by the Board of Inland Revenue under Schedule 9.
“Associated Company”	has the same meaning as in Section 416 of ICTA 1988.
“Auditors”	the auditors for the time being of the Company (acting as experts and not as arbitrators).
“Board”	the board of directors of the Company or, except in Rule 10.4, a duly constituted committee thereof.
“Company”	GMAP Limited.
“Control”	has the same meaning as in Section 840 of ICTA 1988.
“Date of Grant”	the date on which an Option is, was, or is to be granted under the Scheme.
“Eligible Employee”	any director or employee of the Company who is required to devote to his duties not less than 25 hours (or, in the case of any employee who is not a director of the Company, 20 hours) per week (excluding meal breaks) and is not precluded by paragraph 8 of Schedule 9 from participating in the Scheme, provided that such person has not less than three years employment to complete before Retirement.

ICTA 1988	The Income and Corporation Taxes Act 1988.
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"Invitee"	a person whom the Board have invited to apply for the grant of an Option.
"Market Value"	on any day the market value of a Share determined in accordance with the provisions of Part VIII of the Taxation of Chargeable Gains Tax Act 1992 and agreed for the purposes of the Scheme with the Inland Revenue Shares Valuation Division on or before that day.
"Option"	a right to subscribe for Shares granted (or to be granted) in accordance with the Rules.
"Option Price"	the amount of £1 payable for the grant of an Option.
"Option Holder"	an individual to whom an Option has been granted or his personal representatives.
"Participating Company"	the Company and any other company of which the Company has Control and which is for the time being nominated by the Board to be a Participating Company.
"Redundancy"	redundancy within the meaning of the Employment Right Act 1996.
"Retirement"	cessation of employment by means of retirement on or after reaching the Specified Age.
"Rules"	the Rules of this Scheme.
"Schedule 9"	Schedule 9 ICTA 1988.
"Scheme"	the employee share option scheme constituted and governed by these Rules as from time to time amended.
"Share"	an ordinary share of £1 in the capital of the Company which satisfies the conditions specified in paragraphs 10-14 inclusive of Schedule 9.
"Specified Age"	for the purposes of this Scheme, is 60.
"Subscription Price"	the price at which each Share subject to an Option may be acquired on the exercise of that Option determined in accordance with Rule 2.
"Subsisting Option"	an option which has neither lapsed nor been exercised.

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“Year of Assessment” a year beginning on any 6 April and ending on the following 5 April.

- 1.2 Where the context so admits the singular includes the plural and vice versa and the masculine includes the feminine.
- 1.3 Any reference in the Scheme to any enactment includes a reference to that enactment as from time to time modified, extended or re-enacted.

## **2. Invitation to apply for options**

- 2.1 At any time or times within a period of four weeks after an Announcement Date or the Approval Date, and in any case not earlier than the Approval Date nor later than the tenth anniversary thereof, the Board may in its absolute discretion select any number of individuals who may at the intended Date of Grant be Eligible Employees and invite them to apply for the grant of Options.
- 2.2 Each invitation shall be in writing and shall:-
- i) specify the date on which it was issued;
  - ii) specify the date (being neither earlier than 7 nor later than 14 days after the issue of the invitation) by which an application must be made;
  - iii) invite the Invitee to apply for an Option in consideration of the payment by him to the Company of the Option Price;
  - iv) state that the Option Price is not to be refundable and shall not in any circumstances be or be deemed to be a part payment of the Subscription Price of any Shares;
  - v) specify the maximum number of Shares over which that individual may on that occasion apply for any Option, being determined at the absolute discretion of the Board save that it shall not be so large that the grant of Option over that number of Shares would cause the limit specified in Rule 5.2 to be exceeded;
  - vi) specify the Subscription Price at which Shares may be acquired on the exercise of any Option granted in response to the application.
- 2.3 Each invitation shall be accompanied by an application in such form, not inconsistent with these Rules, as the Board may from time to time determine.

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- 2.4 i) The Subscription Price shall not be less than the nominal value of a Share.
- ii) Subject to Rule 8, the Subscription Price shall not be less than the Market Value of a Share on the day the invitation to apply for an Option was issued pursuant to Rule 2.1.

### **3. Applications for options**

- 3.1 Not later than the date specified in the invitation each Eligible Employee to whom an invitation has been issued in accordance with Rule 2 above may apply to the Board, using the application form supplied, for an Option over a number of Shares not exceeding the number specified in the invitation.
- 3.2 Each application shall be accompanied by the Option Price in consideration for the Option to be granted.

### **4. Grant of options**

- 4.1 Not later than the twenty-first day following the issue of invitations the Board may grant to each Invitee from whom it has received an application and who is still an Eligible Employee an Option over the number of Shares specified in his application.
- 4.2 As soon as possible after Options have been granted the Board shall issue a certificate of option in respect of each Option. The Option certificate shall state the date of Grant of the Option, the number of Shares subject to the Option, the Subscription Price payable for each Share under the Option, and the last date upon which a notice exercising the Option can be given and subject to these conditions shall be in such form, not inconsistent with these Rules, as the Board may determine.
- 4.3 No Option may be transferred, assigned or charged and any purported transfer, assignment or charge shall cause the Option to lapse forthwith. Each Option certificate shall carry a statement to this effect.

### **5. Limitations on grants**

- 5.1 No Options shall be granted pursuant to Rule 4 above if such grant would result in the aggregate of:-
- i) the number of Shares over which Subsisting Options have been granted under this Scheme; and
  - ii) the number of Shares which have been issued on the exercise of Options granted under this Scheme; and
  - iii) the number of Shares over which Subsisting Options have been granted under any other share option scheme during the period of 10 years ending on the relevant Date of Grant; and

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- iv) the number of Shares which have been issued pursuant to any other employee share scheme (including a share option scheme) during the period of 10 years ending on the relevant Date of Grant.

exceeding 30% of the number of Shares in issue immediately prior to that day.

5.2 Any Option granted to an Eligible Employee shall be limited and take effect so that the aggregate Market Value of Shares subject to that Option, when aggregated with the Market Value of Shares subject to Subsisting Options, shall not exceed £30,000.

5.3 For the purpose of Rule 5.2.

- i) Option shall include all Options granted under this Scheme and all options granted under any other scheme, not being a savings-related share option scheme, approved under Schedule 9 and established by the Company or any Associated Company thereof.
- ii) The Market Value of Shares shall be calculated as at the time the Options in relation to those Shares were granted or such earlier time as may have been agreed in writing with the Board of Inland Revenue.

5.4 No one individual may hold more than 10% of the share capital of the Company through current ownership of Shares and existing Options.

## **6. Exercise of options**

6.1 Subject to Rule 9 below any Option which has not lapsed may be exercised in accordance with the provisions of Rule 6.4.

6.2 An Option shall lapse on the earliest of the following events:-

- i) the tenth anniversary of the Date of Grant;
- ii) the date of the Option Holder's death;
- iii) the date of the Option Holder ceasing to be an Eligible Employee or director or employee of any Participating Company;
- iv) unless a release has been effected under Rule 7.4, six months after the Option has become exercisable in accordance with Rule 7;
- v) the Option Holder being adjudicated bankrupt;
- vi) the date upon which the Option Holder does or omits to do anything as a result of which he ceases to be the legal and beneficial owner of the Option;
- vii) the occurrence of any event referred to in Rule 4.3.

6.3 The right to exercise an Option shall terminate immediately upon the Option Holder ceasing to be an Eligible Employee, except in the following cases where the holder of an unexercised Option ceases to be an Eligible Employee by reason of:-

- 6.3.1 injury or disability (evidenced to the satisfaction of the Board);
- 6.3.2 redundancy (within meaning of the Employment Rights Act 1996);
- 6.3.3 retirement on reaching the Specified Age (or any other age at which he is bound to retire in accordance with the terms of his contract of employment);
- 6.3.4 pregnancy (the effective date of such cessation being the date on which the provisions of the Employment Rights Act 1996 cease to apply in respect of that office or employment);
- 6.3.5 the company for which the Option Holder works ceasing to be a Participating Company;
- 6.3.6 the transfer of the undertaking or part-undertaking in which the Option Holder is employed to a person other than a Participating Company;
- 6.3.7 any other circumstance in which the Board reasonably decides that is fair that the Option be exercised.

6.4 Any Option granted may be exercised at any time after the third anniversary of the grant of the Option if any of the conditions in Rules 6.5(i) to 6.5(ii) (inclusive) are satisfied.

6.5 The conditions referred to in Rule 6.4 above are as follows:-

- i) the Company is floated and the Shares become quoted on a recognised stock exchange;
- ii) more than 50% of the Company's issued Share capital is sold to a third party.

## **7. Takeovers and liquidations**

7.1 If any person obtains Control of the Company as a result of making:-

- i) a general offer to acquire the whole of the issued Share capital of the Company which is made on a condition such that if it is satisfied the person making the offer will have Control of the Company; or
- ii) a general offer to acquire all the shares in the Company which are of the same class as the Shares.

then any Subsisting Option may subject to Rule 7.4 below be exercised within six months of the time when the person making this offer has obtained Control of the Company and any condition subject to which the offer is made has been satisfied.

7.2 If under Section 425 of the Companies Act 1985 the Court sanctions a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, any Subsisting Option may subject to Rule 7.4 below be exercised within six months of the Court sanctioning the compromise or arrangement.



7.3 If any person becomes bound or entitled to acquire shares in the company under Section 428 to 430 of the Companies Act 1985 any Subsisting Option may subject to Rule 7.4 below be exercised at any time when that person remains so bound or entitled.

7.4 If as a result of the events specified in Rules 7.1 or 7.2 a company has obtained Control of the Company, or if a company has become bound or entitled as mentioned in Rule 7.3, the Option Holder may, by agreement with that other company (the "Acquiring Company"), within the Appropriate Period, release each Subsisting Option (the "Old Option") for an option (the "New Option") which satisfies the conditions that it:-

- i) is over shares in the Acquiring Company or some other company falling within paragraph (b) or paragraph (c) of Paragraph 10, Schedule 9, which satisfy the conditions specified in Paragraphs 10 to 14 inclusive of Schedule 9;
- ii) is a right to acquire such number of shares as has on acquisition of the New Option an aggregate Market Value equal to the aggregate Market Value of the shares subject to the Old Option on its release;
- iii) has a subscription price per share such that the aggregate price payable on the complete exercise equals the aggregate price which would have been payable on complete exercise of the Old Option; and
- iv) is otherwise identical in terms to the Old Option.

The New Option shall, for all other purposes of this Scheme, be treated as having been acquired at the same time as the Old Option.

Where any New Options are granted pursuant to this Rule 7.4, Rules 4.3, 6, 7, 8, 9, 10.1 and 10.3 to 10.6 shall, in relation to the New Options, be construed as if references to the Company and to the Shares were references to the Acquiring Company or, as the case may be, to the other company to whose shares the New Options relate, and to the shares in that other company, but references to Participating Company shall continue to be construed as if references to the Company were references to GMAP Limited.

7.5 If the Company passes a resolution for voluntary winding up, any Subsisting Option may be exercised within six months of the passing of the resolution.

7.6 For the purposes of this Rule 7, other than Rule 7.4, a person shall be deemed to have obtained Control of a Company if he and others acting in concert with him have together obtained Control of it.

7.7 The exercise of an Option pursuant to the preceding provisions of this Rule 7 should be subject to the provisions of Rule 9 below.

7.8 Where in accordance with Rule 7.4 Subsisting Options are released and New Options granted the New Options shall not be exercisable in accordance with Rule 7.1, 7.2 and 7.3 above by virtue of the event by reason of which the New Options were granted.

## 8. Variation of share capital

8.1 In the event of any variation of the share capital of the Company by way of capitalisation or rights issue, consolidation, subdivision or reduction of capital or otherwise, the number of Shares subject to any Option and the Subscription Price for each of those Shares shall be adjusted in such manner as the Auditors confirm in writing to be fair and reasonable provided that:-

- i) the aggregate amount payable on the exercise of an Option in full is not increased;
- ii) the Subscription Price for a Share is not reduced below its nominal value;
- iii) no adjustment shall be made without the prior approval of the Board of Inland Revenue; and
- iv) following adjustment the Shares continue to satisfy the conditions specified in paragraphs 10 to 14 inclusive of Schedule 9.

## **9. Manner of exercise of options**

9.1 No Option may be exercised by an individual at any time when he is precluded by paragraph 8 of Schedule 9 from participating in the Scheme.

9.2 No Option may be exercised at any time when the Shares which may be thereby acquired do not satisfy the conditions specified in paragraphs 10-14 of Schedule 9.

9.3 An Option shall be exercised by the Option Holder giving notice to the Company in writing of the number of Shares in respect of which he wishes to exercise the Option accompanied by the appropriate payment and the relevant Option certificate and shall be effective on the date of its receipt by the Company.

9.4 Shares shall be allotted and issued pursuant to a notice of exercise within 30 days of the date of exercise and a definitive share certificate issued to the Option Holder in respect thereof. Save for any right determined by reference to a date preceding the date of allotment, such Shares shall rank pari passu with the other shares of the same class in issue at the date of allotment.

9.5 When an Option is exercised only in part, the balance shall remain exercisable on the same terms as originally applied to the whole Option and a new option certificate shall be issued accordingly by the Company as soon as possible after the partial exercise.

## **10. Administration and amendment**

10.1 The Scheme shall be administered by the Board whose decision on all disputes shall be final (other than in the case of matters to be confirmed by the Auditors in accordance with these Rules).

10.2 The Board may from time to time amend these Rules provided that:-

- i) no amendment may materially affect an Option Holder as regards an Option granted prior to the amendment being made;

- ii) no amendment may be made which would make the terms on which Options may be granted materially more generous or would increase the limit specified in Rule 5.1 without the prior approval of the Company in general meeting; and
- iii) no amendment shall have effect until approved by the Commisioners of the Inland Revenue.

10.3 The cost of establishing and operating the Scheme shall be borne by the Participating Companies in such proportions as the Board shall determine.

10.4 The Board may establish a committee consisting of not less than three Board members to whom any or all of its powers in relation to the Scheme may be delegated. The Board may at any time dissolve the committee, alter its constitution or direct the manner in which it shall act.

10.5 The Company shall at all times keep available sufficient authorised and unissued Shares to satisfy the exercise to the full extent still possible of all Options which have neither lapsed nor been fully exercised, taking account of any other obligations of the Company to issue unissued Shares.

10.6 Written notice of any amendment to this Scheme shall be given to all Option Holders.

10.7 The Company shall not be obliged to provide Eligible Employees or Option Holders with copies of any notices, circulars or other documents sent to Shareholders of the Company.

## 11 General

11.1 Notwithstanding any provision of any other Rule (apart from Rule 6.3):

11.1.1 this Scheme shall not form part of any contract of employment between any Participating Company and any employee of any such company and the rights and obligations of any individual under the terms of his office or employment with any Participating Company shall not be affected by his participation in this Scheme, or any right he may have to participate in it, and this Scheme shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason;

11.1.2 this Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against any Participating Company directly or indirectly, or give rise to any cause of action at law or in equity against any Participating Company.

11.2 Save as otherwise provided in this Scheme, any notice or communication to be given by the Company to any Eligible Employee or Option Holder may be personally delivered or sent by ordinary post to his last known address, and where a notice or communication is sent by post, it shall be deemed to have been received 72 hours after the same was put into the post properly addressed and stamped. Share certificates and other communications sent by post will be sent at the risk of the Eligible Employee or Option Holder concerned, and the Company shall have no liability to any such person in respect of any notification, document, Share certificate or other communication so sent or made.

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- 11.3 Any notice to be given to the Company shall be delivered or sent to the Company at its registered office and shall be effective upon receipt.
- 11.4 This Scheme and all Options granted under it shall be governed by and construed in accordance with the laws of England.

**Company Number: 3418634**

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**ARTICLES**

**THE COMPANIES ACT 1985 to 1989**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION  
GMAP LIMITED**

Incorporated : 13<sup>th</sup> August 1997

Adopted : 23<sup>rd</sup> February 1998

Amended ~~24~~<sup>24</sup> June 1999

## **PRELIMINARY**

1. 1.1 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) ("Table A") will apply to the Company except insofar as they are excluded or varied by these Articles and such regulations ("the Regulations") (except as so excluded or varied) and the Articles will be the regulations of the Company.
- 1.2 In these Articles the expression "the Act" means the Companies Act 1985, as amended by the Companies Act 1989, but so that any reference in these Articles to any provision of the Act will be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

## **INTERPRETATION**

2. In these Articles:-

- 2.1 unless the context otherwise requires, the following expressions (whether with or without the definite article) have the following meanings:-

<b>"Articles"</b>	these articles of association (and reference to an Article shall be construed accordingly);
<b>"Auditors"</b>	the auditors for the time being of the Company;
<b>"Company"</b>	GMAP Limited (Company Number 3418634);
<b>"Directors"</b>	the directors of the Company from time to time (including their duly appointed alternates);
<b>"Deemed Transfer Notice"</b>	a Transfer Notice deemed to have been given under the provisions of these Articles or the Relevant Agreement;
<b>"Fair Value"</b>	the fair value of any Transfer Shares certified by the Valuers in accordance with Article 6;

<b>"Nominated Directors"</b>	a Director appointed to represent a Shareholder pursuant to Article 15.2;
<b>"Relevant Event"</b>	the happening of any of the events specified in Article 5.2 upon which a Deemed Transfer Notice shall be served;
<b>"Remaining Parties"</b>	the Shareholders other than the Retiring Party after the service of a Transfer Notice or a Deemed Transfer Notice;
<b>"Representative"</b>	in relation to a Shareholder, any person or persons who have become entitled to his Shares in consequence of his death, bankruptcy or mental incapacity;
<b>"Retiring Party"</b>	any Shareholder who wishes to serve a Transfer Notice or is deemed to have served a Deemed Transfer Notice;
<b>"Share"</b>	an ordinary share in the capital of the Company;
<b>"Shareholder"</b>	the holder of any Share from time to time;
<b>"Transfer Notice"</b>	a notice in writing to the Directors given by a Retiring Party by which the Retiring Party indicates his desire to transfer his Shares;
<b>"Transfer Price"</b>	the price at which the Transfer Shares are to be sold in accordance with Article 6.5;
<b>"Transfer Shares"</b>	the Shares forming the subject of a Transfer Notice;
<b>"Transmission Events"</b>	the happening of any of the events in Article 5.6 upon which a Transmission Notice will be deemed to have been served;
<b>"Transmission Notice"</b>	a notice in writing given by a Representative to the Directors notifying the Company of a Transmission Event;

**"Transmission Shares"** the Shares the subject of a Transmission Notice;

- 2.2 words or expressions which are defined in the Act have the same meanings as in the Act but any statutory modification of the Act not in force on the date of adoption of these Articles will not apply to this Clause;
- 2.3 words importing the singular include the plural and vice versa, and words importing persons include bodies corporate, unincorporated associations and partnerships;
- 2.4 a special or extraordinary resolution will be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of the regulations or these Articles.

### **SHARE CAPITAL**

- 3. The share capital of the Company is £1,000 divided into 1,000 Shares, which in all respects rank pari passu.

### **ALLOTMENT OF SHARES**

- 4. 4.1 If the Directors propose to issue any Shares, they will be bound to offer to any Shareholder such a proportion of those proposed Shares as the aggregate nominal value of Shares held by that Shareholder bears to the total issued Shares immediately prior to the issue of such Shares. Any Shares issued to any such Shareholder will be issued upon terms and conditions no more onerous as to price, payment or otherwise than those upon which they are offered to other Shareholders. The offer will 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 will be offered in proportions referred to earlier in this Article to the persons holding Shares who have, within that period, accepted all the Shares offered to them; such further offer will be made in similar terms in the same manner and limited by a similar period as the original offer. Any Shares not accepted pursuant to such offer or further offer or not capable of being offered except by way of fractions and any Shares released from the provisions of this Article by any special resolution will 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 always that the Directors act in accordance with the provisions of the Relevant Agreement and further provided that, in the case of Shares offered but not accepted as provided in this Article, such Shares may not



be disposed of on terms which are more favourable to the subscribers for them than the terms on which they were offered to the Shareholders. The provisions of this Article 4.1 will have effect subject to section 80 of the Act and to Article 4.3.

4.2 In accordance with section 91(1) of the Act, sections 89(1) and 90(1) to (6) (inclusive) of the Act will not apply to the Company.

4.3 The Directors are generally and unconditionally authorised for the purposes of section 80 of the Act to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into Shares of the Company up to the amount of the Share capital of the Company authorised but unissued at the date of adoption of these Articles at any time or times during the period of five years from the date of adoption 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 within that period. The authority given by this Article 4.3 may at any time (subject to the section 80 of the Act) be renewed, revoked or varied by ordinary resolution of the Company in general meeting.

4.4 Regulations 2 and 3 do not apply to the Company.

#### **COMPULSORY TRANSFER OF SHARES**

5. 5.1 Articles 5, 6, 7, 8 and 9 will apply (where relevant) upon compulsory transfer of Shares.

5.2 Each of the following is a Relevant Event:-

5.2.1 if a Shareholder commits an act of bankruptcy or makes any arrangement or composition with his creditors;

5.2.2 if a Shareholder (being also a Director, employee or consultant of the Company) ceases to be such a Director, employee or consultant of the Company other than by his death or mental incapacity;

5.2.3 the occurrence of an event as set out in Article 5.3.

- 5.3    5.3.1    If an Acquiring Shareholder acquires Shares in pursuance of rights or interests obtained by an Obtaining Shareholder, then the Acquiring Shareholder shall be deemed to be a Retiring Party and to have served a Deemed Transfer Notice, upon the Obtaining Shareholder ceasing to be a Director or employee of the Company (other than by reason of his death or mental incapacity).
- 5.3.2    For the avoidance of doubt, if an Obtaining Shareholder has ceased to be a Director or employee of the Company before the Acquiring Shareholder acquires Shares as referred to in Article 5.3.1, then a Deemed Transfer Notice shall be deemed to have been served by the Acquiring Shareholder upon his acquisition of those Shares.
- 5.4    For the purposes of Article 5.3.:-
- 5.4.1    "Acquiring Shareholder" means any person who is not (or who has ceased to be) a Director or employee of the Company;
- 5.4.2    "Obtaining Shareholder" means a person who is also a Director or employee of the Company.
- 5.5    Upon the happening of any of the Relevant Events, the Shareholder concerned will be deemed to be a Retiring Party and to have served a Deemed Transfer Notice.
- 5.6    Each of the following is a Transmission Event:-
- 5.6.1    the death of a Shareholder;
- 5.6.2    if a Shareholder becomes incapable within the meaning of the Mental Health Act 1983.
- 5.7    Upon the happening of any of the Transmission Events, the Shareholder concerned shall be deemed to be a Retiring Party and to have served a Transmission Notice and the provisions of Article 8 will apply.
- 5.8    Any reference in these Articles to a Retiring Party will, if applicable, include his Representative.

## **PRE-EMPTION RIGHTS**

6. 6.1 Except as provided in Articles 8 and 10 or elsewhere in these Articles, before transferring or agreeing to transfer any Share or any interest therein (including for this purpose the assignment of the beneficial interest in, or the creation of any charge or other security interest over such Share) any Retiring Party proposing to transfer any of his Shares must serve a Transfer Notice on the Company.
- 6.2 The Transfer Notice must:-
- 6.2.1 specify the Retiring Party's desire to transfer his Shares;
- 6.2.2 the number and class of Transfer Shares;
- 6.2.3 (except where the Transfer Notice is a Deemed Transfer Notice) the price at which the Retiring Party wishes to sell the Transfer Shares and if any person has offered to purchase the Transfer Shares at such price, his identity.
- 6.3 The Transfer Notice will constitute the Company the agent of the Retiring Party for the sale of all of the Transfer Shares to the Company or to any of the Remaining Parties who are willing to purchase the Transfer Shares at the Transfer Price on the terms of this Article. The Directors will notify the Remaining Parties in writing of the receipt of a Transfer Notice or the occurrence of a Relevant Event within 14 days of such receipt or occurrence. A Transfer Notice (other than a Deemed Transfer Notice) may be revoked by the Retiring Party if the Retiring Party fails to agree a price for the Transfer Shares and upon certification of the Fair Value, reasonably rejects that Fair Value as being unsuitable.
- 6.4 Subject as provided in these Articles or in the Relevant Agreement the Transfer Shares will be offered for purchase at the Transfer Price.
- 6.5 6.5.1 If the Transfer Notice is not a Deemed Transfer Notice, then in the event of agreement in writing between the Company and the Retiring Party or the Shareholders, the Transfer Price shall be the price specified in the Transfer Notice by the Retiring Party, but if no such agreement as to the Transfer Price between either the Company and the Retiring Party or the Shareholders is forthcoming (whether by reason of disagreement, absence or otherwise) within 21 days of the service of the Transfer Notice by the Directors pursuant to Article 6.3, the Transfer Price will be

determined by the Auditors in accordance with the provision of Article 6.6.

6.5.2 If the Transfer Notice is a Deemed Transfer Notice, the Transfer Price will be such price as shall be agreed between either the Company and the Retiring Party or all the Shareholders (including any Representative irrespective as to whether he has been registered as holder of the Transfer Shares at that date), but if no such agreement shall be forthcoming (whether by reason of disagreement, absence or otherwise) within 21 days after the service of the Transfer Notice by the Directors pursuant to Article 6.3, the Transfer Price will be determined by the Auditors in accordance with the provisions of Article 6.6.

6.6 6.6.1 If the Transfer Price is to be determined by the Auditors, then they will certify in writing the sum which in their opinion represents the Fair Value.

6.6.2 In certifying a Fair Value under Article 6.6.1, the Auditors will:-

6.6.2.1 value the Transfer Shares as on an arm's length sale between a willing vendor and a willing purchaser;

6.6.2.2 assume that the Transfer Shares are capable of being transferred without restriction;

6.6.2.3 regard the Company as a going concern;

6.6.2.4 value each Share as a rateable proportion of the total value of all the Shares in the Company at the date of the certificate of Fair Value and will not discount or enhance the Fair Value by reference to the number of Shares comprised in the Transfer Notice;

6.6.2.5 take into account any reasonable prospects of the admission of any of the Company's Shares to the Official List of London Stock Exchange Limited or the granting of an application by the Company for the dealing in any of the Company's Shares on any other public securities market ("the Stock Exchange");

6.6.2.6 take into account the terms and value of any offer made or about to be made by a third party to obtain a Controlling Interest in the Company (as defined in Article 11) irrespective of the intentions of the other Shareholders as to accepting that offer;

6.6.2.7 if the Shares of the Company quoted on the Stock Exchange certify the Fair Value as being the average of the middle market quotations for the Company's Ordinary Shares on the Stock Exchange as derived from the Daily Official List on such five consecutive dealing days as the Valuers determine.

If any difficulty arises in applying any of the foregoing assumptions or bases, such difficulty will be resolved by the Auditors in such manner as they in their absolute discretion think fit. The Company will use its best endeavours to procure that the Auditors determine the Transfer Price within 21 days of being requested so to do.

6.6.3 In certifying the Fair Value, the Auditors will act as experts and not as arbitrators and accordingly any provisions of law or statute relating to arbitration will not apply to their determination.

6.6.4 Within 14 days of receipt of the certificate of Fair Value from the Valuers, the Company will by notice in writing inform the Retiring Party and the Remaining Parties of the Fair Value.

6.6.5 The cost of the Auditors' certificate of Fair Value will be apportioned among the Retiring Party and the Remaining Parties as the Auditors in their absolute discretion decide, save where a Transfer Notice is revoked by a Retiring Party as set out in Article 6.3, when the costs of certification shall be borne entirely by that Retiring Party.

6.7 If the determination of the Transfer Price is referred to the Auditors, the date of determination of the Transfer Price ("the Determination Date") shall be the date upon which the Directors receive the Auditors' certificate of Fair Value. If the Transfer Price is determined by written agreement between all the Shareholders as aforesaid then the Determination Date shall be the date on which such agreement is made.

6.8 6.8.1 Subject to Article 7, the Transfer Shares will first be offered to the Remaining Parties by the Directors within 14 days of the Determination Date by a notice in writing ("the Offer Notice"). The Transfer Shares will be offered to each Remaining Shareholder in proportion to the number of existing Ordinary Shares held by them respectively.

6.8.2 The Offer Notice must:-

6.8.2.1 state the Transfer Price;

6.8.2.2 state the time which the offer may be accepted, being not less than 14 days nor more than 28 days from the date of the Offer Notice.

For the purposes of this Article, an offer will be deemed to be accepted on the date upon which acceptance is received by the Company.

- 6.9 Upon the expiry of the offer period, the Directors will notify the Remaining Parties as to whether all of the Remaining Parties have agreed to purchase the Transfer Shares. If all the Remaining Parties have so agreed, then the Directors will allocate to each Remaining Party his pro-rata entitlement of Transfer Shares. If all the Remaining Parties have not so agreed, then the provisions of Article 7 shall apply.
- 6.10 (Subject to Articles 7 and 8) if by the foregoing procedure the Directors do not receive acceptances from the Remaining Parties in respect of all the Transfer Shares within the period of 56 days from the date of the Offer Notice, they will immediately give notice in writing of that fact to the Retiring Party. Subject as provided below, the Retiring Party may within a period of 6 months after the date of that notice sell all (but not some only) of the unallocated Transfer Shares to any person at any price which is not less than the Transfer Price (after deducting where appropriate, any net dividend or other distribution declared, paid or made after the date of the Transfer Notice in respect of the Transfer Shares and which has been or is to be retained by the Retiring Party); provided that any such sale will be subject to either the Remaining Parties consenting to such a person becoming a Shareholder, or to the Retiring Party having first procured such person to offer to purchase all of the Shares of the Remaining Parties at the same time and on the same terms and conditions (including without limitation the period during which such offer shall remain open for acceptance which will be at least 30 days) as such person has offered to purchase the Transfer Shares from the Retiring Party.
- 6.11 If any Shareholder or person or person nominated pursuant to Article 6.10 ("Purchaser" or "Purchasers") within the period(s) of the aforesaid offer(s) agree to purchase all of the Transfer Shares the Directors will immediately give notice in writing as mentioned below to the Retiring Party and to the Purchaser and the Retiring Party will thereupon become bound upon payment of the Transfer Price to the Retiring Party in accordance with Article 9 below (whose receipt shall be a good discharge to the Purchaser, the Company and the Directors therefrom none of whom will be bound to see to the application thereof) to transfer to each

Purchaser those Transfer Shares accepted by him. Every such notice will state the name and address of each Purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the Directors for the completion of the purchase.

- 6.12 In the event of the holder of Shares ceasing to be an employee of the Company within three years of acquiring the Shares, or on account of being dismissed for gross misconduct at any time, then he shall be deemed to have served a Transfer Notice in respect of his entire holding of Shares and those Shares shall be offered to the Company for purchase at the price of £1 per Share. Provided that the Auditors certify that the Company can purchase the Shares in accordance with the Act, the Company may purchase those Shares at the price stipulated above. If the Company is to purchase any such Shares, the holder of those Shares authorises the Company to execute all such deeds and documents as may be necessary to effect that purchase.

#### **PURCHASE OF SHARES BY COMPANY**

7. 7.1 In the event of a Transfer Notice or Deemed Transfer Notice being served the Transfer Shares must first be offered to the Remaining Parties in accordance with Article 6.8. If however the Remaining Parties do not agree to purchase all the Transfer Shares (within the time stipulated in Article 6.9) then the Directors shall offer the Transfer Shares to the Company at the Fair Value certified under Article 6.6.
- 7.2 Provided that the Auditors certify that the Company can purchase the Transfer Shares in accordance with the Act and the Relevant Agreement, the Company may purchase the Transfer Shares at the Fair Value.
- 7.3 If the Company is to purchase any Transfer Shares in accordance with Article 7.2, the Remaining Parties and the Retiring Party will take all appropriate steps to facilitate purchase of the Transfer Shares by the Company.
- 7.4 If the Auditors certify that the Company is unable to purchase the Transfer Shares, or the Remaining Parties unanimously decide to purchase the Transfer Shares themselves, then the Transfer Shares shall be offered to the Remaining Parties in accordance with Articles 6.8, 6.9 and 6.10.

## **TRANSFER OF SHARES BY REPRESENTATIVE**

8. 8.1 If a Transmission Event occurs, then a Transmission Notice will be served in accordance with Article 5.7. The Transmission Notice will be served on the Company by the Representative and will state:-
- 8.1.1 the nature of the Transmission Event;
  - 8.1.2 the number and class of Transmission Shares;
  - 8.1.3 the intention of the Retiring Party with regard to those Transmission Shares;
  - 8.1.4 the intention of the Representative with regard to those Transmission Shares.
- 8.2 If the Representative wishes to transfer those Transmission Shares as permitted by Article 10.1, he must notify the Company in writing within six months of the occurrence of the Transmission Event of his desire so to do, and the Directors will accordingly register the transfer of those Transmission Shares.
- 8.3 If the Representative notifies the Directors in writing that he does not wish to make a permitted transfer under Article 10.1, or he fails to give the notice required by Article 8.2, the Representative will be deemed to have served a Deemed Transfer Notice and the provisions of Articles 6 and 7 shall apply.

## **PAYMENT FOR SHARES**

9. 9.1 In the case of a sale of Transfer Shares by a Representative to another Shareholder following the death of a Shareholder (and in the case of any sale of Shares to the Company) the Transfer Price for the Shares will be payable immediately on the execution of the transfer.
- 9.2 In the case of any sale of Transfer Shares by one Shareholder to another Shareholder, other than a sale referred to in Article 9.1, the price for the Transfer Shares will be payable by two equal annual instalments payable on the first and second anniversaries of the transfer with interest from the date of the transfer to the date of actual payment at two per cent over the base rate of the Company's bankers from time to time calculated on a daily basis and payable at the same time as the annual instalments of purchase price **PROVIDED THAT** the whole outstanding purchase price and any outstanding interest will become payable:-



- 9.2.1 within three months of the grant of representation being issued if the purchasing Shareholder dies; and/or
  - 9.2.2 immediately if the purchasing Shareholder defaults in the payment of any instalment for a period of ten days;
  - 9.2.3 immediately upon the occurrence of a Change in Control of the Company.
- 9.3 For the purpose of this Article:-
- 9.3.1 "Control" means the right either by holding over 51% of the issued Ordinary Shares from time to time or by virtue of any contract or voting arrangement with the Purchaser to exercise voting rights which could result in the appointment of new Directors to the board of Directors (other than the Directors who may be appointed by the Purchaser who is a member of the Company at the date of adoption of these Articles);
  - 9.3.2 "Change" means if a person who was not a Shareholder at the date of adoption of these Articles, or a Purchaser from a Retiring Party, obtains Control.
- 9.4
- 9.4.1 The Transfer Shares will remain in the name of the Retiring Party until payment in full is made, at which time the Retiring Party will execute a stock transfer form in respect of the Transfer Shares and deliver such form to the Company together with the relevant Share certificates for the Transfer Shares.
  - 9.4.2 In the event that the Transfer Price is payable in accordance with Article 9.2, then the Purchaser will be entitled to receive the benefit of all dividends and other rights accruing to the Transfer Shares, and will be able to direct the Retiring Party as to how to vote at any general meeting or on any written resolution of the Company. The Retiring Party will hold the Transfer Shares as nominee for the Purchaser but if the Purchaser defaults on any payment of the Transfer Price, then the equitable interest in the Transfer Shares will revert to the Retiring Party until payment in full has been made by the Purchaser.

9.5 If a Retiring Party, having become bound to transfer any Transfer Shares pursuant to this Article, makes default in transferring the same the Directors may authorise some person (who will be deemed to be the attorney of the Retiring Party for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may receive the purchase money and will thereupon (subject to such instrument being duly stamped) cause the transferee to be registered as the holder of such Transfer Shares and will hold such purchase money on behalf of the Retiring Party. The Company will not be bound to earn or pay interest on any money so held, and will not pay such money to the Retiring Party until he has delivered his Share certificates (or an appropriate indemnity for any lost certificates) to the Company. The receipt of the Company for such purchase money will be a good discharge for the transferee, who will not be bound to see the application of such money, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings will not be questioned by any person.

9.6 The Transfer Price must be paid in money.

#### **PERMITTED TRANSFERS**

10. The Directors will, subject to Regulation 24, register the transfer or, as the case may be, transmission of any Shares:-

10.1.1 to a member of the family of a Shareholder;

10.1.2 to any person or persons acting in their capacity of trustee or trustee of a trust created by or for a Shareholder (by deed or by will or by action of law in the case of mental or long term physical incapacity of a Shareholder) or, upon any change of trustees of a trust so created, to the new trustee or trustees (so that any such transfer as aforesaid shall be registered pursuant to this Article only if such Shares are to be held upon the terms of the trust) provided that there are no persons beneficially interested under the trust other than the Shareholder or members of his family and the voting rights conferred by any such Shares are not exercisable by or subject to the consent of any person other than the trustee or trustees of the trust or the Shareholder or members of his family and also the Directors are satisfied that the trust is and is intended to remain a trust the sole purpose of which is to benefit the Shareholder or members of his family;

10.1.3 by the trustee or trustees of a trust to which Article 10.1.2 applies to any person beneficially interested under the trust being the Shareholder or a member of his family;

10.1.4 to the Representative of a deceased Shareholder where under the provisions of his will or the laws as to intestacy, the persons beneficially entitled to any such Shares, whether immediately or contingently, are members of the family (as defined below) of the deceased Shareholder and by the Representative of a deceased Shareholder.

10.2 For the purposes of Article 10.1:-

10.2.1 the word "Shareholder" does not include a person who holds Shares in the capacity of trustee, or Representative, but includes a former Shareholder in any case where the person concerned ceased to be a Shareholder as the result of the creation of the relevant trust; and

10.2.2 the words "a member of the family of a Shareholder" means the husband, wife, brother-in-law, sister-in-law, widow, widower, children and remoter issue (including children by adoption) or parent (including adoptive parent).

### **CONTROLLING INTERESTS**

11. 11.1 Notwithstanding anything in these Articles, no sale or transfer of any Shares ("the Specified Shares") conferring the right to vote at general meetings of the Company will, if intended to be made to a person who is not a Shareholder of the Company on the date of adopting these Articles and which would result, if made and registered, in a person or persons who was or were not a Shareholder or Shareholders on that date obtaining a Controlling Interest in the Company, be made or registered without the previous written consent of all the Shareholders unless, before the transfer is lodged for registration, the proposed transferee or transferees or his or their nominees has or have offered to purchase the whole of the Shares then in issue at the specified price as defined in Article 11.5.2 of this Article 11.

11.2 For the purpose of this Article and Article 6.6.2.6 the expression "a Controlling Interest" means Shares conferring in the aggregate 50% or more of the total voting rights conferred by all the Shares in the capital of the Company for the time being in issue and conferring the right to vote at all general meetings.

- 11.3 All other regulations of the Company relating to the transfer of Shares and the right to registration of transfers will be read subject to the provisions of this Article.
- 11.4 Notwithstanding anything in this Article, no transfer of any Share will, after registration of such transfer, be deemed to be invalid as a result of the provisions of this Article 11, if the Directors prior to such registration, have obtained from the transferor and the transferee a statutory declaration that, so far as the transferor and the transferee are respectively aware, the transfer is not being made directly or indirectly in pursuance of any arrangement for the sale or acquisition of a Controlling Interest being acquired by any person or persons who was or were not a Shareholder or Shareholders of the Company on the date this Article is adopted.
- 11.5 For the purpose of this Article:-
- 11.5.1 the expressions "transfer", "transferor" and "transferee" include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment;
- 11.5.2 "the specified price" means in respect of each Share a price per Share at least equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for the Specified Shares to the holders of those shares 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 and, in the event of disagreement, the calculation of the specified price will be referred to the Auditors (acting as experts and not as arbitrators) whose decision will be final and binding.

#### **ALTERATION OF SHARE CAPITAL**

12. Regulation 32 will be construed as if the words "special resolution" were substituted for the words "ordinary resolution".

#### **GENERAL MEETINGS AND RESOLUTIONS**

13. 13.1 A notice convening a general meeting at which special business is to be transacted need only specify the general nature of that business and Regulation 38 will be modified accordingly.

- 13.2 All business which is transacted at an annual general meeting except:-
- 13.2.1 the declaration of a dividend;
  - 13.2.2 the consideration of the accounts, balance sheets and Directors' and Auditors' reports; and
  - 13.2.3 the appointment and fixing the remuneration of the Auditors and all business that is transacted at an extraordinary general meeting is deemed special business.
- 13.3 Every notice convening a general meeting will comply with the provisions of section 372(3) of the Act as to giving information to Shareholders as to their right to appoint proxies; and notices of and other communications relating to any general meeting which any Shareholder is entitled to receive will be sent to the Directors and to the Auditors.
14. 14.1 Regulation 40 will be construed as if the words "at the time when the meeting proceeds to business" were added at the end of the first sentence.
- 14.2 If a quorum is not present within half an hour from the time appointed for a general meeting, the general meeting will stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed, therefore such adjourned general meeting shall be dissolved.
- 14.3 Regulation 41 will not apply to the Company.
- 14.4 A Shareholder may participate in a meeting of Shareholders by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means will constitute presence in person at a meeting.

#### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

15. 15.1 The Directors may from time to time appoint any person to act as a Director (subject to the consent of that person so to act) in accordance with the provisions of the Relevant Agreement. Any Director so appointed may be removed pursuant to the provisions of the Relevant Agreement.

- 15.2 Each person who was a Shareholder as at the date of adoption of these Articles is entitled at any time and from time to time to appoint any person approved by the Directors (whose consent shall not be unreasonably withheld) as a Director to represent his interests on the board of Directors provided that such Shareholder is not himself a Director at the time of such appointment. Such appointee shall be a Nominated Director.
- 15.3 Any appointment pursuant to Article 15.2 shall be effected by notice in writing to the Company by the appointor and the appointor may in like manner at any time and from time to time remove from office any Nominated Director appointed by him pursuant to Article 15.2 and (subject to the approval of the Directors, such consent not to be unreasonably withheld) appoint any person in place of any Nominated Director so appointed.
- 15.4 A notice of appointment or removal of a Nominated Director pursuant to Articles 15.2 or 15.3 shall take effect upon lodgement at the registered office of the Company, or on delivery to a meeting of the Directors or on delivery to the secretary of the Company.
- 15.5 Any Nominated Director shall hold office until he is either removed in the manner provided in Article 15.3, or dies, or vacates office pursuant to Regulation 81 (as modified by Article 21), and neither the Company in general meeting nor the Directors shall have power to fill any such vacancy.
16. The Directors shall not be subject to retirement by rotation and accordingly Regulations 73 to 75 shall not apply and all other references in the Regulations to retirement by rotation shall be disregarded.
17. The Company may, by special resolution in general meeting, appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.
18. A Director including an alternate Director does not require a share qualification, but nevertheless is entitled to attend and speak at any general meeting of and at any separate meeting of the holders of any class of Shares in the Company.

### **BORROWING POWERS**

19. The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to section 80 of the Act to grant any mortgage, charge or standard security over all or any part of its undertaking, property and uncalled capital, and 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.

### **ALTERNATE DIRECTORS**

20. 20.1 An alternate Director is not entitled as such to receive any remuneration from the Company, except that the Company may pay him such part (if any) of the remuneration otherwise payable to his appointor as that appointor may from time to time direct by notice in writing to the Company, and the first sentence of Regulation 66 shall be modified accordingly.
- 20.2 A Director, or any such other person as is mentioned in Regulation 65, may act as an alternate Director to represent more than one Director, and an alternate Director is entitled at any meeting of the Directors to one vote for every Director whom he represents in addition to this own vote, if any, as a Director and he will count as two for the purpose of determining whether a quorum is present.
- 20.3 Regulation 66 shall be read and construed as if the words "and of all meetings of committees of Directors of which his appointor is a member" were omitted.
- 20.4 Regulation 67 shall read and be construed as if it ended after the words "ceases to be a Director".

### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

21. The office of a Director will be vacated if he becomes incapable by reason of illness or injury of managing or administering his property and affairs and Regulation 81 is modified accordingly. The office of a Nominated Director shall also be vacated if he shall be removed from office pursuant to Article 15.3.

## **REMUNERATION OF DIRECTORS AND DIRECTORS' EXPENSES**

22. 22.1 Regulation 82 will be construed as if the words "special resolution" were substituted for the words "ordinary resolution".
- 22.2 Regulation 83 will be construed as if the words "or committees of directors" were omitted.

## **GRATUITIES AND PENSIONS**

23. 23.1 The Directors may exercise the powers of the Company conferred by its memorandum of association and are entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.
- 23.2 Regulation 87 will not apply to the Company.

## **MEETINGS OF DIRECTORS**

24. Members of the board of Directors may participate in a meeting of such board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.
25. 25.1 A Director may vote, at any meeting 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 votes on any such resolution, his vote will be counted; and in relation to any such resolution he will (whether or not he votes on the same) be taken into account in calculating the quorum present at the meeting.
- 25.2 Regulation 94 to 97 (inclusive) do not apply to the Company.

## **CAPITALISATION OF PROFITS**

26. Regulation 110 will be construed subject to the provisions of Articles 3 and 4 as if the words "special resolution" were substituted for the words "ordinary resolution".



## **INDEMNITY**

27. 27.1 Every Director or other officer or auditor of the Company will 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 his duties of his office or otherwise in relation to those duties, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application 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 will be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office in relation to those duties.
- 27.2 Article 27.1 only has effect insofar as its provisions are not avoided by section 310 of the Act.
- 27.3 The Directors have power to purchase and maintain for any Director, officer or auditor of the Company insurance against any such liability as is referred to in section 310(1) of the Act from and after the bringing into force of section 137 of the Companies Act 1989.
- 27.4 Regulation 118 does not apply to the Company.

## **DIVIDEND POLICY**

28. 28.1 If in respect of any accounting period, the Company shall have profits available for distribution (within the meaning of Part VIII of the Act), the Directors shall procure that each Shareholder receives a dividend representing a minimum return of 25% on the value of each Shareholder's investment in the Company. Such dividend shall be paid in cash to the Shareholders within 4 months after the end of such accounting period.
- 28.2 In deciding whether in respect of any accountancy period, the Company had or has profits available for distribution, the Directors shall procure that the Auditors shall certify whether such profits are available or not and the amount thereof (if any). In giving such certificate, the Auditors shall be acting as experts and not arbitrators and their determination shall be final and binding on the Shareholders.
- 28.3 Regulation 102 shall be amended accordingly.