

Company number: 03916430

PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS
of
RUSTON WHEB LIMITED (the "Company")

Passed on 19 December 2009

The following resolutions were duly passed on 19 December 2009 by way of written resolutions under Chapter 2 of Part 13 of the Companies Act 2006

SPECIAL RESOLUTIONS

- 1 That each of the issued ordinary shares of £1 each in the capital of the Company be and are hereby subdivided into 100 ordinary shares of 1 pence *SUB DIV* each in the capital of the Company, and
- 2 That the articles of association of the Company be amended by deleting all of the provisions of the Company's memorandum of association which, by virtue of section 28 of the Companies Act 2006 are treated as provisions of the Company's articles of association, and
- 3 That the articles of association of the Company in the form of the draft annexed to these Special Resolutions be approved and adopted as the new articles of association of the Company to the exclusion of the existing articles of association

Signed



DIRECTOR



THE COMPANIES ACTS 1985 – 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

RUSTON WHEB LIMITED (Company number 03916430)

**Adopted pursuant to a special resolution passed on 19
December 2009**

1 INTERPRETATION

1.1 Definitions

In these Articles, unless the context otherwise requires

“**Act**” means the Companies Act 2006,

“**appointor**” has the meaning given in Article 17.1,

“**Articles**” means the company’s articles of association for the time being in force,

“**business day**” means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

“**Company**” means Ruston WHEB Limited, registered in England and Wales with company number 03916430,

“**Conflict**” has the meaning given in Article 13.1;

“**eligible director**” means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter),

“**Family Settlement**” means, in relation to any such beneficial owner of shares who is an individual, any trust or trusts (whether arising under a settlement inter vivos or a testamentary disposition by whomsoever made or on intestacy) where (a) such beneficial owner and/or his Privileged Relations and/or other Family Settlements and charities are primarily entitled to the income of the trust fund and no power has been exercised (whether revocably or irrevocably) to confer a beneficial interest in any significant part of the income or capital of the trust fund which comprises shares (other than to a default beneficiary or of any insignificant distribution for not more than one year at a time) upon any beneficiary other than such beneficial owner and any of his Privileged Relations and/or other Family Settlements and charities or

(b) the discretionary objects of the trust include the shareholder and his Privileged Relations but no power has been exercised (whether revocably or irrevocably) to confer a beneficial interest in any part of the income or capital of the trust fund which comprises shares (other than as a default beneficiary) upon any beneficiary other than such beneficial owner and any of his Privileged Relations and/or other Family Settlements (for the purposes of this definition, "default beneficiary" means a beneficiary whose beneficial interest would only arise following the death of such beneficial owner and all of his Privileged Relations or at the termination of the trust period of the trust concerned)

"Family Settlement Company" means a company which is controlled by the trustee or trustees of a Family Settlement in their capacities as such trustees

"Interested Director" has the meaning given in Article 13 1,

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles, and

"Privileged Relation" means the parent or spouse of a shareholder or any lineal descendent of the shareholder's parent and for these purposes the step-child, illegitimate or adopted child of any person shall be deemed to be that person's lineal descendent

1 2 Terms defined in the Model Articles and/or the Act

Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles

1 3 Headings

Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

1 4 Cross references

A reference in these Articles to an "Article" is a reference to the relevant Article of these Articles unless expressly provided otherwise

1 5 Statutes and/or statutory provisions

Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of

1 5.1 any subordinate legislation from time to time made under it, and

1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

1 6 Include and including

Any phrase introduced by the terms “**including**”, “**include**”, “**in particular**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms

1 7 Application of the Model Articles

The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles To the extent there is any conflict between the Model Articles and these Articles, these Articles shall take precedence

1 8 Exclusions of the Model Articles

Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company

1 9 Amendments to the Model Articles

The following amendments shall be made to the Model Articles

1 9 1 Article 7 of the Model Articles shall be amended by

1 9 1 1 the insertion of the words “for the time being” at the end of article 7(2)(a), and

1 9 1.2 the insertion in article 7(2) of the words “(for so long as he remains the sole director)” after the words “and the director may”

1 9 2 Article 20 of the Model Articles shall be amended by the insertion of the words “(including alternate directors) and the secretary” before the words “properly incur”

1.9 3 In article 25(2)(c) of the Model Articles, the words “evidence, indemnity and the payment of a reasonable fee” shall be deleted and replaced with the words “evidence and indemnity”

1 9 4 Article 27(3) of the Model Articles shall be amended by the insertion of the words “, subject to article 10,” after the word “But”

1 9 5 Article 29 of the Model Articles shall be amended by the insertion of the words “, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2),” after the words “the transmittee’s name”

1 9.6 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words “either” and “or as the directors may otherwise decide”

2 SHARE ISSUES

2 1 Authority to issue shares

Subject to the remaining provisions of this Article 2 the directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to

2 1 1 offer or allot;

2 1 2 grant rights to subscribe for or to convert any security into, or

2 1.3 otherwise deal in, or dispose of,

any shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper

2 2 Limitations on authority

The authority referred to in Article 2 1

2 2 1 shall be limited to a maximum nominal amount of £[AMOUNT] or such other amount as may from time to time be authorised by the Company by ordinary resolution,

2 2 2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and

2 2 3 may only be exercised for a period of five years from the date of adoption of these Articles, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired)

2 3 Disapplication of pre-emption rights

In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) of the Company

3 **TRANSFER OF SHARES**

3 1 **Restrictions on transfer**

No shareholder shall make any transfer of any shares or any interest in any shares unless the following provisions are complied with in respect of such transfer

3 2 **Services of a transfer notice**

Any shareholder who wishes to transfer shares or any interest in shares (the “**Vendor**”) to a third party shall give to the Company notice thereof in writing (the “**Transfer Notice**”) The Transfer Notice shall specify the number of shares which the Vendor wishes to transfer (the “**Sale Shares**”), the identity of the proposed transferee (if applicable), and the total consideration which the transferee will pay to the Vendor for the shares in question under the proposed sale arrangements (the “**Sale Price**”)

3 3 **Right of pre-emption**

Upon the service of a Transfer Notice, the directors shall forthwith by notice in writing offer to the other shareholders the Sale Shares pro rata to their existing holdings of shares of the same class as the Sale Shares The Sale Shares shall be offered at a price agreed between the Vendor and the directors or, failing agreement, at a fair price determined in accordance with Article 3 8 and the Sale Price shall be adjusted to a sum equal thereto and references in these Articles to the “**Sale Price**” shall be interpreted accordingly Unless the Vendor chooses to exercise his right (if any) to withdraw the Transfer Notice in accordance with Article 3 8, the offer made by the directors to the other members shall be open for a period of 21 days from the date of the notice (the “**Acceptance Period**”) and shall be deemed to contain a provision that unless all the Sale Shares are sold to one or more of the other members of the Company, as the case may be, none shall be sold If the other members shall within the Acceptance Period apply for all or any of the Sale Shares in excess of the number offered to him/her/them (the “**Excess Shares**”) the directors shall allocate such Excess Shares to or amongst such other members, in the case of competition in proportion to their then existing holdings of shares of the same class as the Sale Shares (or as nearly as may be without involving factions or increasing the number allocated to any applicant beyond that applied for by such applicant) If at the end of the Acceptance Period there are any Sale Shares unallocated, the Company shall be offered the right to purchase such unallocated Sale Shares at the Sale Price in full and the directors shall have 14 days in which to make a decision as to whether to purchase such unallocated Sale Shares (the “**Company Acceptance Period**”) subject to obtaining any approvals required by the Act

3 4 **Completion**

If within the Acceptance Period and the Company Acceptance Period the other members and/or the Company (the “**Transferees**”) accept the offer of all of the Sale Shares at the Sale Price, the directors shall forthwith give notice in

writing (the "Acceptance Notice") of such acceptance to the Vendor and shall specify in such notice the place and time (being not earlier than seven and not later than 30 days after the date of the Acceptance Notice) at which the sale of the Sale Shares shall be completed

3 5 Default in completing the sale

The Vendor shall be bound to transfer the Sale Shares to the Transferees, at the time and place specified in the Acceptance Notice and payment of the Sale Price for the Sale Shares shall be made to the directors as agent for the Vendor. If the Vendor shall fail to transfer the Sale Shares, the chairman of the Company or some other person appointed by the directors shall be deemed to have been appointed attorney of the Vendor with full power to execute, complete and deliver in the name and on behalf of the Vendor a transfer of the Sale Shares to the Transferees against payment of the Sale Price to the Company. On payment of the Sale Price to the Company, the Transferees shall be deemed respectively to have obtained a good discharge for such payment and, on execution and delivery of the transfers and after payment of any stamp duty, the Transferees shall be entitled to insist upon their respective names (or those of their nominees) being entered in the register of members as the holders by transfer of the Sale Shares. The Company shall forthwith pay the Sale Price into a separate bank account in the Company's name and shall hold such Sale Price in trust for the Vendor subject to applying the same on its behalf in settling any fees or expenses falling to be borne by the Vendor. The Company shall not be bound to earn or pay interest on any money so held. After the names of the Transferees have 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.

3 6 Unallocated shares

If at the end of the Acceptance Period there remain unallocated Sale Shares and the Company does not accept the offer of such unallocated Sales Shares within the Company Acceptance Period, then the Vendor for a period of three months thereafter shall be at liberty to transfer all of the Sale Shares to any person at a price not being less than the Sale Price provided always that the directors may require to be satisfied that the Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfers without any deduction rebate or allowance of any kind to the purchasers and if not so satisfied may refuse to register the relevant instruments of transfer.

3 7 Shares subject to a lien

Notwithstanding the foregoing provisions of this Article, the directors may decline to register any transfer of any share on which the Company has a lien.

3 8 Fair Price

A fair price shall be such price as the Auditors of the Company for the time being (or if the Auditors for any reason do not determine the fair price, the Company shall ask the President for the time being of the Institute of

Chartered Accountants in England and Wales to nominate an independent chartered accountant for the purposes of determining the fair price and references in this Article to the Auditors shall be deemed to mean such nominated independent chartered accountant in the event such appointment becomes necessary) shall certify in writing to be their opinion of a fair price for the sale of the shares as between a willing seller and a willing buyer without taking any account of whether the Sale Shares comprise a majority or a minority interest in the Company. Upon receipt of notice of the fair price from the Company, if the fair price is less than the previously proposed Sale Price, the Vendor shall have 7 days in which to withdraw his Transfer Notice, failing which the Sale Shares shall be offered to the members and the Company in accordance with the terms of this Article on the basis that the Sale Price is equal to such fair price

3 9 Permitted transfers

The restrictions on transfer contained in this Article shall not apply to

3 9 1 any transfer approved in writing by the holders of at least 75% in number of the issued ordinary shares from time to time such approval not to be unreasonably withheld or delayed in respect of any transfer of shares by an individual (or on his behalf by his bare nominee) to any Privileged Relation or to the trustee or trustees of a Family Settlement or to any Family Settlement Company (or any transfer by such trustees or Privileged Relations or Family Settlement Companies to each other) provided that if any person to whom shares are transferred ceases to have the relevant relationship with such beneficial owner of such shares they had at the time the transfer was approved , such shares shall be transferred back to the original transferor (or to or to the bare nominee of such beneficial owner or to a person falling within the required relationship with the individual who was the original beneficial owner of such shares) forthwith upon such relationship ceasing and, if the holder of such shares fails to make such transfer, the holder shall be deemed to have served a separate Transfer Notice in respect of all of such shares then held by him and the provisions of Articles 3 3 to 3 8 shall apply and provided also that no transfer shall be made pursuant to this Article 3 9 1 to a charity which is not a Family Settlement of the such beneficial owner,

3 9 2 any transfer by a corporate member to an associated company (that is to say any holding company or subsidiary of such corporate member and any other subsidiary of any such holding company) provided always that, if the transferee company subsequently ceases to be a wholly-owned subsidiary of such holding company, it shall forthwith transfer all of the shares held by it to such holding company or to another company to which such holding company is then entitled to transfer the shares under this Article provided also that, if such transfer is not made within 30 days, the transferee company shall be deemed to have given a Transfer Notice immediately prior to the

event in respect of all shares then held by the transferee company and such Transfer Notice shall be a Deemed Transfer Notice as if served pursuant to the provisions of Article 4 and the terms thereof shall apply in full,

- 3 9 3 any transfer by a corporate member to a company formed to acquire the whole or a substantial part of the undertaking and assets of such corporate member as part of a scheme of amalgamation or reconstruction provided that the transferee company will be under the same beneficial ownership as the corporate member making the transfer,

provided that it must be proved to the reasonable satisfaction of the directors that the transfer bona fide falls within one of these exceptions

3 10 Evidence in respect of transfers

For the purposes of ensuring that a transfer of shares is duly authorised hereunder, or that no circumstances have arisen whereby a Transfer Notice is deemed to have been given hereunder, the directors may require any shareholder or the legal representatives of a deceased member or the liquidator of any corporate member or any person named as transferee in any transfer lodged for registration, to furnish to the Company such information and evidence as the directors may think fit regarding any matter they deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the directors within a reasonable time after such request, the directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the shares concerned, and they may likewise so require if any such information or evidence discloses that a Transfer Notice ought to be given in respect of any shares, provided that any director who directly or indirectly has an interest as the holder (or as a trustee or director of the holder) of the shares being considered under this paragraph shall not be entitled to vote on any board resolution relating to such matter. If the directors do require a Transfer Notice to be given and it is not duly given within one month from the date of its being so required, such notice shall be deemed to have been given at the expiry of such period and the provisions of this Article shall take effect accordingly.

3 11 Registration of transfers

Subject to Article 3 10, the directors shall register any transfer made pursuant to or permitted by the foregoing provisions of this Article but shall refuse to register any other transfer.

4 AUTOMATIC DEEMED TRANSFER NOTICE

4 1 Deemed transfer events

For the purposes of this Article and other relevant provisions of these Articles, the following shall be deemed (without limitation) to be service of a Transfer Notice under Article 3 above

4 1 1 save as expressly permitted in these Articles any direction (by way of renunciation, nomination or otherwise) by a member entitled to an allotment or transfer of shares to the effect that such shares or any of them be allotted or issued or transferred to some person other than himself;

4.1 2 any sale or other disposition of any beneficial interest in a share (whether or not for the consideration or otherwise) by whomsoever made and whether or not effected by an instrument in writing,

4 1 3 the bankruptcy of any member

4 2 Deemed transfer notice

If any member of the Company enters into a transaction of the kind referred to in Article 4 1.2 or otherwise attempts to transfer any shares otherwise than in accordance with Article 3 or enters into a voluntary arrangement with his or its creditors generally, or in the case of a corporate member enters into liquidation (except a members' voluntary liquidation for the purpose of a reconstruction or amalgamation without any change of ownership) or suffers a receiver or administrative receiver to be appointed over all or any of its assets or suffers an administration order to be made against it, such member shall be deemed to have given a Transfer Notice (a "**Deemed Transfer Notice**") in respect of all shares of each class held by such member or by any nominee for him respectively immediately prior to that event

4 3 Total transfer condition

In respect of any Transfer Notice deemed to have been given under Article 4 1 or 4 2, such notice shall be deemed to contain a provision that unless all the Sale Shares comprised therein are sold by the Company pursuant to this Article none shall be sold and any such provision shall be binding on the Company

4 4 Effect of Deemed Transfer Notice

Subject as hereafter mentioned, a Deemed Transfer Notice shall constitute the directors the Vendor's agents for the sale of the shares specified therein (the "**Sale Shares**") in accordance with the provisions of Article 3 above, and the Sale Price shall be a sum equal to the fair price determined in accordance Article 3.8

5 PERMITTED TRANSFERS

5.1 Restrictions on registering transfers

The directors shall not register any transfer of shares in the Company save as expressly permitted by these Articles

5.2 Nominees

Any share may be transferred to a person shown to the satisfaction of any director to be a nominee of, or a trustee for, the transferring shareholder only

5.3 Other permitted transfers

Any share may be transferred pursuant to the provisions of 3.9.1, 3.9.2 and 3.9.3

6 OFFER FOR CONTROLLING INTEREST ("DRAG-ALONG")

6.1 Drag Along Right

Subject to the prior conclusion of the pre-emption provision of Article 3, in the event that at any time members ("**Selling Members**") who between them hold more than 50% of the Company's ordinary shares (a "**Controlling Interest**") propose to sell the legal or beneficial interest in, in aggregate, a Controlling Interest to a person who is not a member or a person connected with any member (within the meaning of section 839 of the Income and Corporation Taxes Act 1988) and who is a bona fide purchaser at arm's length, and the proposed transferee (or any person or persons acting in concert with it) (the "**Offeror**") offers to acquire the other issued ordinary shares in the Company at a price not less than the same price per share offered to and accepted by the Selling Members, including any additional consideration in whatever form, the Selling Members shall have the right (the "**Drag Along Right**") to require all of the other holders of ordinary shares (the "**Minority Shareholders**") to sell all of their shares on such basis

6.2 Notice of Exercise Right

The Drag Along Right may be exercised by the Selling Members serving notice to that effect (the "**Drag Along Notice**") to the Minority Shareholders at the same time as, or within 21 days following, the making of the offer. Nothing in this Article shall enable any of the Selling Members to exercise the Drag Along Right without having first served a Transfer Notice on the Company stating their intention to exercise their Drag Along Right if their shares are not acquired pursuant to the pre-emption provisions of Article 3

6.3 Terms of Drag Along Notice

A Drag Along Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Selling Shareholders do not transfer a Controlling Interest to the Offeror (or the

Offeror's nominee) not later than the date specified as the date for completion of the sale and purchase of the ordinary shares pursuant to acceptance of the offer

6 4 Effects of Drag Along Notice

Upon the exercise of the Drag Along Right in accordance with this Article 6, each of the Minority Shareholders shall be bound, unless the Drag Along Notice lapses, to transfer his entire holding of ordinary shares to the Offeror (or his nominee) at completion against payment of the consideration then due

6 5 Power of attorney

In the event that any Minority Shareholder fails to meet his obligations under Article 6 4, the directors (or any of them) may authorise some person to accept the offer on behalf of such Minority Shareholder or undertake any action required under the terms of the offer on the part of such Minority Shareholder. The directors may in particular authorise some person to execute a transfer of any ordinary shares in favour of the Offeror (or his nominee) and the Company may give a good receipt for the purchase price of such ordinary shares and may register the Offeror (or his nominee) as holder thereof and issue to him (or as he may direct) certificates for the same whereupon the Offeror (or his nominee) shall be indefeasibly entitled thereto. The Minority Shareholder shall in such case be bound to deliver up his certificate for his ordinary shares to the Company whereupon the Minority Shareholder shall be entitled to receive the purchase price for such ordinary shares which shall in the meantime be held by the Company in trust for the Minority Shareholder but without interest. After the name of the Offeror (or his nominee) has been entered in the Register in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

7 COMPULSORY OFFER FROM ACQUIRER OF CONTROLLING INTEREST ("TAG-ALONG")

7 1 Tag-along right

Notwithstanding the provisions of Article 3, no sale or transfer of the legal or beneficial interest in any ordinary shares (the "**Relevant Transaction**") may be made or validly registered if as a result of such sale or transfer a Controlling Interest is obtained by a person (or persons acting in concert) who did not have a Controlling Interest immediately prior to the Relevant Transaction, unless the Selling Members shall have procured a written offer complying with the provisions of Article 7 3 to have been made by the proposed transferee (or any person or persons acting in concert with it) to Minority Shareholders to acquire their entire holdings of ordinary shares.

7 2 Definitions

For the purposes of this Article

7.2 1 the expression 'transfer' and 'transferee' shall include respectively the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment respectively, and

7.2 2 the expression 'acting in concert' shall bear the meaning given to it in The City Code on Takeovers and Mergers

7.3 Terms

The offer referred to in Article 7.1 above shall:

7.3 1 open for acceptance for a period of at least 21 days following the making of the offer;

7.3 2 be on terms that Minority Shareholders shall be entitled to receive for their holdings of ordinary shares a sum in cash equal to the highest price (including, to any extent not in cash, a sum equal to the value of the consideration given) per ordinary share paid or payable by the proposed purchaser in the Relevant Transaction or any related or previous transaction by the same purchaser or any person acting in concert with the proposed purchaser in the twelve months preceding the date of the offer referred to in Article 7.1, which price shall be deemed to include any consideration (in cash or otherwise) paid or at any time or times payable by such purchaser or person acting in concert which, having regard to the substance of the transaction as a whole, is reasonably regarded by the directors as an addition to the price so paid or payable,

7.3 3 be on terms that the purchase of any shares in respect of which such offer is accepted shall be completed at the same time as the Relevant Transaction

7.4 Right to decline offer

For the avoidance of doubt, the Minority Shareholders shall be entitled to accept or decline an offer for their shares made pursuant to Article 7.1 but the acceptance by some shall not prevent others from declining such offer and vice versa

7.5 Restriction on sale of controlling interest

Failing completion of the purchase of the shares owned by the Minority Shareholders together with the shares owned by the Selling Members pursuant to either of Articles 6 or 7 (except, in Article 7, the shares of a Minority Shareholder who has not accepted the offer in respect of his shares as permitted in Article 7.4), the Selling Members shall not be entitled to sell their shares to the proposed transferee and the directors of the Company shall not register any such transfer of shares

8. UNANIMOUS DECISIONS

8 1 Application of this Article

A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter

8 2 Written resolution

Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing

8.3 Eligible directors to constitute a quorum

A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting

9 CALLING A DIRECTORS' MEETING

Any director may call a directors' meeting by giving not less than 5 business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice. Notice of a directors' meeting shall be given to each director in writing

10 QUORUM FOR DIRECTORS' MEETINGS

10 1 Quorum – General position

Subject to Article 10 2, the quorum for the transaction of business at a meeting of directors is any two eligible directors

10 2 Quorum – where there is a conflict

For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director

10 3 Insufficient directors to form a quorum

If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision

10 3 1 to appoint further directors; or

10 3 2 to call a general meeting so as to enable the shareholders to appoint further directors

11. CASTING VOTE

11.1 Chairman's casting vote

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall have an additional or casting vote

11.2 Exception to this rule

Article 11.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an eligible director for the purposes of that meeting (or part of a meeting)

12 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company

12.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested,

12.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,

12.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,

12.1.4 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,

12.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested, and

12.1.6 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be

avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

13 DIRECTORS' CONFLICTS OF INTEREST

13 1 Authorisation of Conflicts

The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**")

13 2 Procedure for authorisation

Any authorisation under this Article 13 will be effective only if

- 13 2 1 the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,
- 13 2 2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
- 13 2 3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

13 3 Terms of any authorisation

Any authorisation of a Conflict under this Article 13 may (whether at the time of giving the authorisation or subsequently)

- 13 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- 13 3 2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
- 13 3 3 provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors vote in relation to any resolution related to the Conflict,
- 13 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,

- 13 3 5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
- 13 3 6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters

13 4 Authorised Conflicts

Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict

13 5 Revocation of authorisations

The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation

13 6 Confidential Information

In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to

- 13 6 1 disclose such information to the directors or to any director or other officer or employee of the company, or

- 13 6 2 use or apply any such information in performing his duties as a director,

where to do so would amount to a breach of that confidence.

13 7 Remuneration, profits or other benefits

A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

14 RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form

15 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one

16 APPOINTMENT OF DIRECTORS

In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director

17 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

17.1 Right to appoint alternate

Any director (“appointor”) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

17.1.1 exercise that director’s powers, and

17.1.2 carry out that director’s responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate’s appointor

17.2 Form of appointment / removal

Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors

17.3 Form of Notice

The notice must

17.3.1 identify the proposed alternate, and

17.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

18 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

18 1 Multiple appointments

An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as each of the alternate's appointor

18 2 Capacity of alternate

Except as the Articles specify otherwise, alternate directors

18 2.1 are deemed for all purposes to be directors,

18 2.2 are liable for their own acts and omissions,

18 2.3 are subject to the same restrictions as their appointors, and

18 2 4 are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member

18 3 Alternates who are not directors

A person who is an alternate director but not a director

18 3 1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),

18 3 2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and

18 3 3 shall not be counted as more than one director for the purposes of Articles 18 3 1 and 18 3 2

18 4 Alternates who are directors

A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present

18 5 Payments to alternates

An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except

such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

19 TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates

19 1 1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,

19 1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;

19 1 3 on the death of the alternate's appointor; or

19 1 4 when the alternate's appointor's appointment as a director terminates

20 SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

21 POLL VOTES

A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting. Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article

22 PROXIES

Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate" Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the proxy notice at any time before the meeting" as a new paragraph at the end of that article

23 MEANS OF COMMUNICATION TO BE USED

23 1 Deemed service

Any notice, document or other information shall be deemed served on or delivered to the intended recipient

- 23 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, two business days after it was posted or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, or if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
- 23 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 23 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- 23 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this Article, no account shall be taken of any part of a day that is not a working day

23.2 Proof of service

In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

24 INDEMNITY

24 1 Indemnification of officers

Subject to Article 24 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- 24 1 1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer
 - 24 1 1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them, and

24 1.1 2 .in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs, and

24 1 2 pending any claim under the indemnity in Article 24 1 the Company may lend any relevant officer funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 24 1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

24 2 **Prohibited indemnities**

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

24 3 **Definitions**

In this Article

24 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

24 3 2 a “**relevant officer**” means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

25 **INSURANCE**

25 1 **Power to Insure**

The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss

25 2 **Definitions** •

In this Article

- 25 2 1 a “**relevant officer**” shall have the same meaning prescribed in Articles 24 3 2,
- 25 2.2 a “**relevant loss**” means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer’s duties or powers in relation to the company, any associated company or any pension fund or employees’ share scheme of the company or associated company, and
- 25 2 3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate