

Company Number: 3941727

**THE COMPANIES ACTS 1985 AND 1989**

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**COMPANY LIMITED BY SHARES**

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**WRITTEN RESOLUTIONS**

**OF**

**LINDELL TRAIN LIMITED**  
**(the "Company")**

Passed 7 / 12 2000

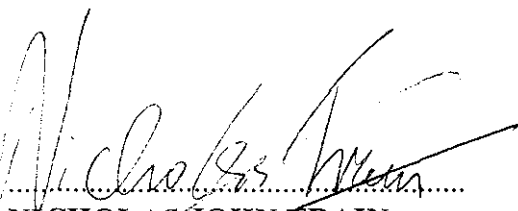
I, the undersigned, being the sole member of the Company for the time being entitled to receive notice of and to attend and vote at general meetings pursuant to the Articles of Association of the Company hereby RESOLVE THAT the following resolutions be passed and agree that the same shall have effect as if passed as an ordinary resolution in respect of resolutions 1, and a special resolution in respect of resolution 2 at a general meeting duly convened and held as follows:-

**ORDINARY RESOLUTION**

1. **THAT** each of the issued and unissued ordinary shares of £1 each in the capital of the Company be and they hereby are consolidated into ordinary shares of £100 each, each having the rights set out from time to time in the articles of association.

**SPECIAL RESOLUTION**

2. **THAT** the regulations contained in the printed document attached to these resolutions and initialled for the purposes of identification be adopted as the articles of association of the Company in substitution for the regulations contained or incorporated in the present articles of association of the Company.

  
.....  
**NICHOLAS JOHN TRAIN**



The Companies Acts 1985 and 1989

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**COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION  
OF  
LINSELL TRAIN LIMITED**

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Incorporated: 7 March, 2000  
Company Number: 3941727

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Tel: 020 7583 5353 Fax: 020 7353 3683

The Companies Acts 1985 and 1989

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION  
OF  
LINDSELL TRAIN LIMITED<sup>1</sup>**

Adopted by Special Resolution  
on 7 December, 2000

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**PRELIMINARY**

- 1.1 The regulations contained in Table A in the Companies (Tables A to F) Regulations 1985 (*Table A*) shall, except as provided in and so far as the same are not inconsistent with the provisions of these articles, apply to the Company and shall together with these articles constitute the regulations of the Company.
- 1.2 Regulations 3, 23 to 25, 29 to 31, 35 to 55, 57, 59 to 62, 64 to 69, 73 to 81, 85 to 91, 93 to 98, 112 and 115 of Table A shall not apply to the Company.
- 1.3 In these articles unless the context otherwise requires the following expressions shall have the following meanings:-

*the Act* means the Companies Acts 1985 and 1989 including any statutory modification or re-enactment thereof for the time being in force;

*articles* means the articles of association of the Company from time to time;

*Associate* means:-

- (a) a member of the Family of the relevant person;
- (b) any nominee or bare trustee for the relevant person or for any other Associate of the relevant person; or
- (c) any Associated Company of the relevant person.

*Associated Company* shall have the meaning given to it in Section 416 of the Income and Corporation Taxes Act, 1988;

*Auditors* means the auditors of the Company from time to time;

*Board* means the board of Directors, including any duly elected committee thereof;

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<sup>1</sup> The Company changed its name from IBIS (572) Limited on 18 May, 2000.

**Chairman** means the chairman of the Board from time to time;

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

**control** shall have the same meaning as in section 840 of the Income and Corporation Taxes Act 1988;

**Corporate Shareholder** means any Shareholder which is a company;

**Director** means a director for the time being of the Company;

**Employee Shareholder** means an Executive Shareholder other than Mr Lindsell or Mr Train;

**executed** includes any mode of execution;

**Executive Shareholder** means Mr. Lindsell, Mr. Train and their respective Associates and any Shareholder who is a Director or employee of any Group Company from time to time and any Associate of any such Director or employee;

**Executive Shares** means Shares held by an Executive Shareholder;

**Family** in relation to a Principal means any one or more of such Principal, his spouse, his parents, his descendants, including persons obtaining descendancy by adoption, his brothers and sisters, the estates of any such persons and the trustees of a trust exclusively for the benefit of the family of such Principal;

**Founders** means Mr Lindsell and Mr Train and **Founder** means both Mr Lindsell and Mr Train severally;

**Group Company** means the Company, any subsidiaries, any holding companies and any subsidiaries of such holding companies for the time being;

**holder** in relation to Shares means the member whose name is entered on the register of members as the holder of the Shares;

**Investment Trust** means The Lindsell Train Investment Trust PLC (company number 4119429) a company incorporated in England and Wales whose registered office is at 77A The High Street, Brentwood, Essex CM14 4RR;

**Mr Lindsell** means Michael James Lindsell of 22 Spencer Road, London SW18 2SW;

**Mr Train** means Nicholas John Train of 26 Stonehill Road, Sheen, London SW14 8RW;

**Principal** means any person who is a member of the Company by virtue of having acquired Shares upon allotment or by way of an arm's length transfer effected in accordance with the articles prevailing at the relevant time;

**secretary** means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

**Shares** means ordinary shares of £100 each in the capital of the Company, having the rights and being subject to the restrictions set out in these articles;

**Shareholder or member** means a holder of Shares from time to time;

**Shareholder Majority** means the holder(s) of 75% (or more) of the Shares for the relevant time being in issue;

**Third Party Shareholder** means any Shareholder other than an Executive Shareholder;

**transfer** means any transfer, sale, charge, mortgage, encumbrance, declaration of trust or other disposal of any share, or any interest in any share, in the capital of the Company; and

**United Kingdom** means Great Britain and Northern Ireland.

- 1.4 Words importing the masculine gender include the feminine gender.
- 1.5 Words importing persons include bodies corporate and unincorporated associations.
- 1.6 Words importing the singular shall, where the context so permits, include a reference to the plural and vice versa.
- 1.7 Subject as aforesaid any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meaning in these articles.
- 1.8 Reference to any act, statute or statutory provision shall include any statutory modification, amendment or re-enactment thereof.
- 1.9 A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these articles and a special resolution shall be effective for any purpose for which an extraordinary resolution is expressed to be required under any provision of these articles.

## **SHARE CAPITAL AND ISSUE OF SHARES**

- 2.1 The authorised share capital of the Company at the date of adoption of these Articles of Association is £266,600 divided into 2,666 Shares.
- 2.2 The Shares shall rank *pari passu* in all respects.
- 2.3. The lien conferred by regulation 8 of Table A shall also attach to fully paid up Shares registered in the name of any person indebted or under liability to the Company whether he shall be the sole registered holder thereof or shall be one of two or more joint holders.
- 2.4 Subject to the provisions of the Act the Company may:-
  - 2.4.1 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the holder, on such terms and in such manner as may be set out in these articles (as amended from time to time) or (as to the date on or by which or the dates between which the shares are to be or may be redeemed) as may be determined by the Directors prior to the date of issue;

- 2.4.2 purchase its own shares (including any redeemable shares) or enter into such agreement (contingent or otherwise) in relation to the purchase of its own shares on such terms and in such manner as may be approved by such ordinary or special resolution as may be required by the Act;
- 2.4.3 to the extent permitted by section 171 of the Act, make a payment in respect of the redemption or purchase of any of its own shares (including any redeemable shares) otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.
- 2.5 Subject as otherwise provided in these articles and to any direction or authority contained in the resolution of the Company creating or authorising the same, the Directors are generally and unconditionally authorised, for the purposes of section 80 of the Act, to allot or to grant options or rights of subscription or conversion over unissued shares to such persons (whether existing shareholders or not), at such times and on such terms and conditions as they think proper.
- 2.6 The authority granted to the Directors under article 2.5:-
- 2.6.1 shall not permit the Directors to allot or to grant options or rights of subscription or conversion over shares to an aggregate amount of more than the unissued share capital at the date of adoption of these articles or (if such authority is renewed or varied by the Company in general meeting) the amount specified in the resolution for such renewal or variation;
- 2.6.2 shall expire not more than five years from the date of the adoption of these articles or (if such authority is renewed or varied by the Company in general meeting) on the date specified in the resolution on which the renewed or varied authority shall expire;
- 2.6.3 may be renewed, revoked or varied at any time by the Company in general meeting; and
- 2.6.4 shall permit the Directors after the expiry of the period of the said authority to allot any shares or grant any such rights in pursuance of an offer or agreement so to do made by the Company within that period.
- 2.7 In exercising their authority under this article 2 the Directors shall not be required to have regard to section 89(1) and section 90(1) to (6) (inclusive) of the Act which sections shall be excluded from applying to the Company.

### **3 PRE-EMPTION ON ISSUE OF SHARES**

- 3.1 Notwithstanding anything to the contrary in these articles; but subject to article 3.3 unless otherwise determined from time to time by a special resolution all unissued shares (whether in the original or any increased share capital) shall, before allotment or issue to any person on any terms, be offered on no less favourable terms first to the members in the following manner:-
- 3.1.1 the offer shall be by notice in writing and shall specify the number and class of shares which the Company desires to issue (*Offer Shares*) and the proposed terms of the issue of the shares and shall invite each member to apply in writing within such period (*Offer Period*) as shall be specified in the notice (being a period expiring not less than 21 days from the date of the notice) for such

maximum number of the Offer Shares as he wishes to take and to submit his remittance for the full amount payable in respect of the shares applied for;

- 3.1.2 the Offer Shares (or so many of them as shall have been applied for) shall be allotted on the same terms to and amongst the members who have applied for them and who have submitted the full remittance in respect of the shares applied for on the earlier of:-
  - 3.1.2.1 the date of expiration of the Offer Period; and
  - 3.1.2.2 the date the Company receives notice in writing of the application for or refusal of the shares to be issued from every member;
- 3.1.3 the Directors shall allocate the Offer Shares (or so many as shall have been applied for) to and amongst the applying members according to the number of Offer Shares applied for by each of such applying members or, if the number of shares applied for exceeds the number of Offer Shares, in the proportion (as nearly as practicable) which the number of Offer Shares applied for by each of them respectively bears to the total number of shares applied for. If any Offer Shares remain unallocated, they shall be allocated to and amongst those applying members whose applications have not been satisfied in full in the proportion (as nearly as practicable) which the number of Offer Shares originally applied for by each such applying member less the number of Offer Shares already allocated to him bears to the total number of Offer Shares originally applied for by all such applying members less the number of Offer Shares already allocated to them;
- 3.1.4 if any member is allotted fewer shares than he has applied for, then the balance of the amount remitted by him shall be returned to him (without interest) on the date the shares are allotted to him;
- 3.1.5 no member shall be obliged to take more than the maximum number of shares applied for by him.
- 3.2 The Directors may dispose of any unissued shares not applied for by the members or which, by reason of any other difficulty in apportioning the same, cannot in the opinion of the directors be conveniently allotted under this article at a price and on terms no more favourable than those at which the shares were initially offered to the members.
- 3.3 Rights of pre-emption conferred by this article 3 or otherwise shall not apply to any Shareholder other than a Third Party Shareholder where shares are to be issued to employees of the Company pursuant to a resolution of the Board.

#### **TRANSFER OF SHARES - CONDITIONS**

- 4.1 The instrument of transfer in respect of a Share may be in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee. The transferor shall remain the holder of the Shares concerned until the name of the transferee is entered in the Company's register of members in respect thereof.

- 4.2 The Directors shall not register any transfer of Shares (or any interest therein) other than a transfer made pursuant to or permitted by articles 5, 6, 7 or 8 and the Shareholders shall not be entitled to transfer any Shares whether by way of sale or otherwise except in accordance with the provisions of this article 4 and articles 5, 6, 7 and 8.
- 4.3 The Directors may refuse to register a transfer of a Share, being a Share which is not fully paid, to a person of whom they do not approve or being a share on which the Company has a lien or unless:-
- 4.3.1 it is lodged at the registered office for the time being of the Company or at such other place in England as the Directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- 4.3.2 it is in respect of only one class of Shares;
- 4.3.3 it is in favour of not more than four transferees; and
- 4.3.4 it is to a person who is not (or whom the Directors reasonably believe is not) under 18 years of age or who does not have (or whom the Directors reasonably believe does not have) the legal capacity freely to dispose of any Shares without let, hindrance or court approval.
- 4.4 If, in relation to a transfer of a Share, the transferor thereof is a party to any agreement between the Company and some or all of its Shareholders (being an agreement additional to these articles) then the Directors may:-
- 4.4.1 require the transferee of such Share to enter into a written undertaking (in such form as the Directors may prescribe) to be bound (to such extent as the Directors may reasonably stipulate) by the provisions of such agreement; and
- 4.4.2 refuse to register the transfer of such Share unless and until the transferee has entered into such written undertaking.
- 4.5 If the Directors refuse to register a transfer of a Share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
- 4.6 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any Share.
- 4.7 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall be returned to the person lodging it when the notice of the refusal is given.

## PERMITTED TRANSFERS

- 5.1 Subject to article 4 above and to article 8 below, a Shareholder who is a Principal shall be entitled at any time to transfer the legal and/or beneficial ownership of a Share to an Associate of such Shareholder.
- 5.2 Article 5.1 above shall be deemed to permit transfers by trustees of Shares held by them to the Shareholder who transferred the Shares to such trustees and/or to an Associate of such Shareholder or former Shareholder who transferred such Shares.
- 5.3 Subject to article 4 above and to article 8 below, any Shareholder shall be entitled at any time to transfer the legal and/or beneficial ownership of a Share where such transfer is approved in writing by a Shareholder Majority.

## TRANSFER BY SHAREHOLDERS – PROCEDURE AND VALUATION

- 6.1 Except as set out in article 5 above, the right to transfer or otherwise dispose of any Share or any interest or right in or arising from any Share (an option or like right to acquire any Share, whether by subscription or otherwise, being deemed to be an interest in a Share for this purpose) shall be subject to the provisions of this article 6 and any such transfer or disposal made otherwise than in accordance with such provisions shall be void.
- 6.2 Any Shareholder (***Seller***) wishing to transfer or otherwise dispose of part or all of the Shares held by him, or part or all of any interest and/or rights therein, shall first give notice in writing (***Sale Notice***) to the Company specifying the Shares, interest and/or rights which he wishes to transfer or otherwise dispose of (***Sale Shares***). The Sale Notice shall also state the proposed price for each of the Sale Shares and shall have annexed thereto the share certificate in respect of the Sale Shares. The Sale Notice shall constitute the Company the agent of the Seller for the sale of the Sale Shares at a price for each Sale Share to be determined in accordance with the provisions of article 6.3 below (***Sale Price***).
- 6.3 The Sale Price shall be determined in accordance with this article 6.3 and shall depend upon the identity of the Seller, so that unless the Board agrees in writing to the contrary:
  - 6.3.1 where the Seller is an Employee Shareholder, the Sale Price shall be equal to the price per Share as determined by the Board using the price formula used by the Investment Trust to value its Shares at the time of issue of the Sale Notice or such higher price as shall be agreed by the Board; and
  - 6.3.2 where the Seller is a Founder or a Third Party Shareholder, the Sale Price shall be the highest of:
    - 6.3.2.1 the price per Share as determined by the Board using the price formula used by the Investment Trust to value its Shares at the time of issue of the Sale Notice; or

- 6.3.2.2 the price per Share specified in any offer for the Seller's Shares from a bona fide third party purchaser subsisting at the time of issue of the Sale Notice; or
- 6.3.2.3 such higher price as shall be agreed by the Board.
- 6.4.1 The Sale Shares shall be offered in writing by the Company to the Shareholders in accordance with the order of priority specified in this article 6.4 (subject only as set out in article 8.3.1). Any such offer shall limit a time (not being less than ten days or more than ninety days) (**Prescribed Period**) after such offer is made within which it must be accepted or, in default, will lapse.
- 6.4.2 An offer of Executive Shares shall be made first to all of the Executive Shareholders (**Initial Executive Offer**). If after the expiry of the Prescribed Period for the Initial Executive Offer acceptances have not been received in respect of all of the Sale Shares, a further offer in respect of the Sale Shares unallocated after the Initial Executive Offer shall be made to the Third Party Shareholders (**Second Executive Offer**). If after the expiry of the Prescribed Period for the Second Executive Offer acceptances have not been received in respect of all of the Sale Shares, a further offer in respect of the Sale Shares unallocated after the Second Executive Offer may be made, at the discretion of the Board, on the same terms to such different person or persons as the Board may in its discretion choose (**Final Executive Offer**).
- 6.4.2 An offer of Third Party Shares shall be made first to all of the Shareholders (**Initial TP Offer**). If after the expiry of the Prescribed Period for the Initial TP Offer acceptances have not been received in respect of all of the Sale Shares, a further offer in respect of the Sale Shares unallocated after the Initial TP Offer shall be made, at the discretion of the Board, on the same terms to such different person or persons as the Board may in its discretion choose (**Second TP Offer**).
- 6.4.3 Where an offer is made to an Executive Shareholder under this article 6.4, he shall be entitled to waive his rights under this article 6.4 to purchase the Sale Shares offered to him in favour of a person who is a Director or employee of any Group Company from time to time or any Associate of any such Director or employee. In the event of any such waiver, such person shall be entitled to accept such offer as if it had been made to him.
- 6.5 An Initial Executive Offer or Initial TP Offer shall be made as soon as practicable following the determination of the Sale Price for the relevant Sale Shares. Any Second Executive Offer, Final Executive Offer or Second TP Offer shall be made within six months of the expiry of the Prescribed Period in respect of the offer that preceded it. Following any such offer as is required to be made under article 6.4, if acceptances are received in respect of an aggregate number of Shares in excess of that offered, the number of Sale Shares the subject of the relevant offer shall be allocated amongst those who have accepted the same in proportion to the number of Shares held by each acceptor (or in the case of any such offer made to persons who are not already Shareholders, on such basis as the Directors shall determine) provided that no acceptor shall be obliged to acquire more Sale Shares than the number for which he has applied and so that the provisions of this article 6.5 shall continue to apply mutatis mutandis until

all Shares which any such acceptor would but for this proviso have acquired on the proportionate basis specified above have been allocated accordingly.

- 6.6 If prior to the expiry of the Prescribed Period in respect of an offer made under article 6.4 the Company shall, pursuant to the foregoing provisions, find persons (*Approved Transferees*) to purchase Sale Shares it shall forthwith give notice in writing thereof to the Seller and the Approved Transferees. Every such notice shall state the name and address of each of the Approved Transferees and the number of the Sale Shares agreed to be purchased by him and shall specify a place and time and date (not being less than three days nor more than seven days after the date of such notice) at which the sale and purchase shall be completed. Upon the giving by the Company of any such notice as aforesaid the Seller shall be bound (subject only to the due payment of the Sale Price in respect of the relevant Sale Shares) to complete the sale of the Sale Shares to which such notice relates in accordance with its terms.
- 6.7 If prior to the expiry of the Prescribed Period in respect of either the Final Executive Offer or Second TP Offer made under article 6.4, the Company shall not find Approved Transferees willing to purchase all of the Sale Shares, it shall give notice in writing thereof to the Seller and the Seller at any time thereafter up to the expiration of two months from the date of such notice, shall (subject as hereinafter provided) be at liberty to transfer those of the Sale Shares not purchased by Approved Transferees to any person or persons on a bona fide sale at any price not being less than the Sale Price. The Directors may require the Seller to provide evidence to them (to their reasonable satisfaction) that such Shares are being transferred in pursuance of a bona fide sale to the transferee stated and for the consideration stated in the transfer shall be payable without any deduction, rebate, allowance or indulgent terms whatsoever by the purchaser thereof and, if not so satisfied, may refuse to register the instrument of transfer and/or serve a Disenfranchisement Notice with the effect set out in article 8.4.2 below.
- 6.8 Any Share required to be transferred by a Seller to an Approved Transferee pursuant to this article 6 shall be transferred with full title guarantee free from any mortgage, charge, lien, option or other encumbrance and with the benefit of all rights and entitlements attaching thereto and if in determining the Sale Price there was taken into account any entitlement to any dividend which has been paid prior to the date on which the transfer is registered then the Seller shall be liable to account to the Approved Transferee for the amount thereof (and the Approved Transferee, when making payment for such Share, may set-off such amount against the Sale Price payable).
- 6.9 If a Seller shall (save only for reason that an Approved Transferee does not duly pay the Sale Price) fail to duly transfer any Sale Shares to an Approved Transferee, the Directors shall authorise and instruct some person to execute and deliver on his behalf the necessary transfer and the Company may receive the relevant purchase money in trust for the Seller and shall cause such Approved Transferee to be registered as the holder of such Shares. The receipt of the Company for the purchase money shall be a good discharge to the Approved

Transferee (who shall not be bound to see to the application thereof) and after the Approved Transferee has been registered in purported exercise of the aforesaid powers the validity of the proceeds shall not be questioned by any person.

- 6.10 The Sale Notice shall not be revocable except with the unanimous written consent of the Board who may impose such conditions on any consent as they see fit, including a condition that the Seller bear all the related costs. Upon revocation by the Seller of a Sale Notice, the Company shall return the original Sale Notice to the Seller together with the Seller's share certificate in respect of the Sale Shares.

## TRANSFERS - CHANGE OF CONTROL

- 7.1 Notwithstanding anything to the contrary contained in articles 5 and 6, no sale or transfer of any Shares (*Specified Shares*) to any person whomsoever which would result if made and registered in a person who is not then a Shareholder of the Company obtaining a Controlling Interest in the Company shall be made or registered without the previous consent in writing of a majority of all the Shareholders unless before the transfer is lodged for registration the proposed transferee or his nominees or agents has made an offer (stipulated to be open for acceptance for twenty eight days) to purchase all the other Ordinary Shares at the Specified Price (as hereinafter defined) which offer every Shareholder shall be bound within twenty eight days of the making of such offer to him either to accept or reject in writing (and in default of so doing shall be deemed to have rejected the offer) Provided always that the provisions of this article shall not apply to the acquisition of Shares by a person who is already a Shareholder and the acquisition is made under the terms of a Sale Notice given pursuant to article 6.
- 7.2 For the purpose of article 7.1:-
- 7.2.1 the expressions *transfer*, *transferor* and *transferee* shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment; and
- 7.2.2 *Specified Price* shall mean a price per Share at least pari passu to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for the Specified Shares to the holders thereof 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 in addition to the price paid or payable for the Specified Shares. In the event of disagreement, the calculation of the Specified Price shall be referred to an umpire (acting as expert and not as arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall be final and binding; and

- 7.2.3 **Controlling Interest** shall mean an interest (within the meaning of Schedule 13 Part 1 and Section 324 of the Act) conferring in aggregate more than 50% of the total voting rights conferred by all the Shares.

## DEEMED TRANSFER

- 8.1 If any person shall purport to transfer or otherwise dispose of any Share or any interest in or right arising from any Share otherwise than as permitted under or in accordance with the provisions of articles 5, 6 or 7 or this article 8 such person and any Associate of such person who is a Shareholder shall, unless and to the extent (if any) that the Directors otherwise determine at the relevant time, be deemed to have given a Sale Notice in respect of all Shares of which such person and any Associate of such person is then the holder. Such Sale Notice shall be deemed to have been given on the date on which the Directors give notice to such person that they have become aware of the purported transfer or other disposal (or on the date (if any) specified in such notice).
- 8.2 If any Shareholder who is a Principal:
- 8.2.1 dies;
  - 8.2.2 is declared bankrupt;
  - 8.2.3 enters into liquidation (except a shareholders' voluntary liquidation for the purpose of reconstruction or amalgamation);
  - 8.2.4 suffers an administrative receiver or receiver to be appointed over all or any of its assets;
  - 8.2.5 suffers an administrative order to be made against it; or
  - 8.2.6 ceases to be controlled by the person or persons who were in control of it at the time it became a Shareholder,
- then, where possible, such Shareholder shall give notice of that fact to the Company and a Sale Notice shall be deemed to have been given by such Shareholder and its Associates on such date as the Directors shall specify in writing to such Shareholder or the successor of such Shareholder.
- 8.3 If any Associate which becomes a Shareholder at any time ceases to be an Associate of the Principal who transferred Shares to such Associate;
- 8.3.1 that Shareholder shall be deemed with effect from such cessation to have given to the Company a Sale Notice in respect of all Shares legally or beneficially owned by such Shareholder and the provisions of article 6 shall have effect accordingly PROVIDED THAT, before an offer is made under article 6, an offer shall be made to the Principal of such Shareholder and the provisions of article 6 shall apply mutatis mutandis to such offer; and
  - 8.3.2 for the purposes of this article 8.3, an Associate shall be deemed to have ceased to be an Associate of the Principal who transferred Shares to it where there

occurs in relation to such Associate any of the events specified in articles 8.2.1 to 8.2.6 (inclusive).

- 8.4 For the purpose of ensuring that a transfer of Shares is permitted pursuant to articles 5 or 6 or that no circumstances have arisen whereby a Sale Notice is required or may be deemed to be given under any provision of article 7 or this article 8, the Directors may from time to time require any Shareholder or the personal representatives of any deceased Shareholder or any person named as transferee in any transfer lodged for registration or any person who was, is or may be an Associate of any of the foregoing, to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose. If such information or evidence discloses that a Sale Notice ought to have been given in respect of any Shares the Directors may by notice in writing stipulate that a Sale Notice shall as from the date of such notice or on such future date as may be specified therein be deemed to have been given by the holders of those Shares in respect of all or any of such Shares. Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within a reasonable time after request, the Directors shall be entitled:-
- 8.4.1 to refuse to register the transfer in question or, in case no transfer is in question, to require by notice in writing that a Sale Notice be given by the holders of the relevant Shares in respect of all such Shares; and/or
- 8.4.2 to give to the holder(s) of the Shares in question a notice (*Disenfranchisement Notice*) stating that such Shares shall as from the date of such notice no longer confer any right to attend, speak or vote at any general meeting of the Company or at any class meeting or to receive or be entitled to receive any dividend or other distribution until such time as the Directors shall think fit and, as from such date, such Shares shall no longer confer any such rights accordingly.
- 8.5 A Director shall be regarded as having an interest which is material and which conflicts with the interests of the Company (and accordingly shall not be entitled to vote in relation thereto) in any matter which requires to be determined or otherwise decided upon by the Directors pursuant to or for the purpose of any of articles 5, 6, 7 or this article 8 to the extent such matter relates to any Shares held by such Director or in which such Director is otherwise interested.

## GENERAL MEETINGS

- 9.1 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 9.2 The Directors may call general meetings and, on the requisition of Shareholders pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than 42 days after receipt of the requisition.
- 9.3 If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or Shareholder may call a general meeting.

## **NOTICE OF GENERAL MEETINGS**

- 10.1 All annual general meetings and extraordinary general meetings called for the passing of a special or elective resolution shall be called by at least 21 clear days' notice.
- 10.2 All other extraordinary general meetings shall be called by at least 14 clear days' notice.
- 10.3 A general meeting may be called by shorter notice if it is so agreed:-
  - 10.3.1 in the case of an annual general meeting by all the Shareholders entitled to attend and vote thereat; and
  - 10.3.2 in the case of any other meeting by a majority in number of the Shareholders having a right to attend and vote being a majority together holding not less than 95% in nominal value of the Shares giving that right.
- 10.4 The notice of a general meeting shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.
- 10.5 Subject to the provisions of these articles and to any restrictions imposed on any Shares, notice of a general meeting shall be given to all Shareholders, to all persons entitled to a share in consequence of the death or bankruptcy of a Shareholder and to the Directors and auditors.
- 10.6 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

- 11.1 No business shall be transacted at any meeting unless a quorum is present.
- 11.2.1 Subject to the provisions of article 11.2.2, two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a Corporate Shareholder, shall be a quorum.
- 11.2.2 If the Company only has one Shareholder, then such Shareholder present in person or by proxy or, if a Corporate Shareholder, by its duly authorised representative shall be a quorum.
- 11.3 If within half an hour after the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned until the same day in the next week at the same time and place, or such other day, time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present or ceases to be present then the Shareholder or Shareholders present shall be a quorum.

- 11.4 The chairman, if any, of the Board or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the chairman nor such other Director (if any) is present within 30 minutes after the time appointed for holding the meeting and willing to act the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.
- 11.5 If no Director is willing to act as chairman, or if no Director is present within 30 minutes after the time appointed for holding the meeting, the Shareholders present and entitled to vote shall choose one of their number to be chairman.
- 11.6 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to have a casting vote in addition to any other vote he may have.
- 11.7 A Director shall, notwithstanding that he is not a Shareholder, be entitled to receive notices of and attend and speak at any general meeting of the Company.
- 11.8 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place and without such consent he may adjourn any meeting at which a proposal of importance is made for the consideration of which in his judgment (which shall not be challenged) a larger attendance of members is desirable.
- 11.9 No business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place.
- 11.10 When a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the time and the place of the adjourned meeting and the general nature of the business to be transacted, but otherwise it shall not be necessary to give any such notice.
- 11.11 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on a declaration of the result of, the show of hands a poll is duly demanded.
- 11.12 A poll may be demanded by any Shareholder having the right to vote at the meeting.
- 11.13 A demand for a poll by a person as proxy for a member shall be the same as a demand by the Shareholder.
- 11.14 Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

- 11.15 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 11.16 A poll shall be taken as the chairman may direct and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll.
- 11.17 The result of the poll (unless it was held at an adjourned meeting) shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 11.18 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith.
- 11.19 A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs, not being more than 30 days after the poll is demanded.
- 11.20 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than a question on which the poll is demanded.
- 11.21 If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn with the consent of the chairman, the meeting shall continue as if the demand had not been made.
- 11.22 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded, but in any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 11.23 If the Company only has one Shareholder and such Shareholder takes any decision which may be taken by the Company in general meeting and which has effect as if agreed by the Company in general meeting, then such Shareholder shall (unless that decision is taken by way of a written resolution) provide the Company with a written record of that decision.

## **RESOLUTIONS IN WRITING**

12. A resolution in writing executed by all the Shareholders of the Company entitled to receive notice of and to attend and vote at a general meeting or by their duly appointed proxies or attorneys:-
- 12.1 shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held; and
- 12.2 any such resolution in writing may be contained in one document or in several documents in the same terms each executed by one or more of the Shareholders or their proxies or attorneys and execution in the case of a Corporate Shareholder shall be sufficient if made by a Director thereof or by its duly authorised representative.

## VOTES

- 13.1 Subject to any rights or restrictions attached to any Shares, on a show of hands every Shareholder present in person, or (if a Corporate Shareholder) present by a representative duly authorised in accordance with the Act who is not also himself a Shareholder entitled to vote, shall have one vote and on a poll every Shareholder shall have one vote for every share of which he is the holder.
- 13.2 In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names of the holders stand in the register of members.
- 13.3 No Shareholder shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of Shares in the Company, either in person or by proxy, unless all calls or other sums presently payable by him in respect of Shares of the Company have been paid.
- 13.4 On a poll votes may be given either personally or by proxy.
- 13.5 An instrument appointing a proxy shall be in writing executed by or on behalf of the appointor (or, if a corporation, under the hand of a duly authorised officer of the corporation) and shall be in such form as the Directors may determine or, failing such determination, in any usual form.
- 13.6 The appointment of a proxy shall not be valid and the proxy named in the instrument shall not be entitled to vote at the meeting unless the instrument appointing the proxy, together with any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors:-
- 13.6.1 is deposited at the registered office (or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting) not later than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- 13.6.2 in the case of a poll taken more than 48 hours after it is demanded, is deposited as specified in article 13.6.1 after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- 13.6.3 where the poll is not taken forthwith but is taken not more than 48 hours after it is demanded, is delivered to the chairman or to the secretary or to any Director at the meeting at which the poll is demanded.

## DIRECTORS

- 14.1 The number of the Directors shall be determined by the Company in general meeting but unless and until so determined there shall be no maximum number of Directors and the minimum number of Directors shall be one.

- 14.2 In the event of the minimum number of Directors fixed by these articles being one, a sole director shall have authority to exercise all the powers and discretions vested in the Directors generally and article 14.1 shall be modified accordingly.
- 14.3 A Director or alternate director shall not require any share qualification and any Director or alternate director who is not a member of the Company shall nevertheless be entitled to receive notices of and attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of Shares of the Company.
- 14.4 A person may be appointed a Director notwithstanding that he shall have attained the age of seventy years or any other age and no Director shall be liable to vacate office by reason of his attaining that or any other age, nor shall special notice be required of any resolution appointing or approving the appointment of such a Director or any notice be required to state the age of the person to whom such resolution relates.

#### **APPOINTMENT, DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 15.1 The Company may, by ordinary resolution, appoint another person in place of a Director removed from office by resolution of a general meeting in accordance with the Act and (without prejudice to the powers of the Directors under the next following article) the Company may, by ordinary resolution, appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional director.
- 15.2 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these articles as the maximum number of Directors.

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

- 16.1 The office of a Director shall be vacated in any of the following events:-
- 16.1.1 if he resigns his office by notice in writing to the Company;
- 16.1.2 if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- 16.1.3 if he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;

- 16.1.4 if he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director;
- 16.1.5 if he is absent from meetings of the board for six successive months without leave and his alternate director (if any) shall not during such period have attended in his stead, and the Directors resolve that his office be vacated; or
- 16.1.6 if he shall be removed from office by notice in writing served upon him signed by all the other Directors but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

## **POWERS OF DIRECTORS**

- 17.1 Without prejudice to the powers conferred by regulation 70 of Table A, the Directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons (including Directors and other officers) who are or were at any time in the employment or service of the Company, or of any undertaking which is or was a subsidiary undertaking of the Company or allied to or associated with the Company or any such subsidiary undertaking, or of any of the predecessors in business of the Company or of any such other undertaking and the spouses, widows, widowers, families and dependants of any such persons and make payments to, for or towards the insurance of or provide benefits otherwise for any such persons.
  - 17.2 Without prejudice to the provisions of regulation 70 of Table A and of article 17.1, the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time:-
    - 17.2.1 Directors, officers, employees or auditors of the Company or of any other Company which is its holding Company, or in which the Company or such holding Company has any interest whether direct or indirect, or which is in any way allied to or associated with the Company or such holding Company, or of any subsidiary undertaking of the Company or of such other Company;
    - 17.2.2 trustees of any pension fund in which employees of the Company or of any other such Company or subsidiary undertaking are interested;
- including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported exercise, execution and/or discharge of their powers or duties and/or otherwise in relation to their duties, powers or offices in relation to the Company or any other such Company, subsidiary undertaking or pension fund.

## **DIRECTORS' INTERESTS**

- 18.1 Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:-
- 18.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested (including any insurance purchased or maintained by the Company for him or for his benefit);
- 18.1.2 may be a Director or other officer of or employed by or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- 18.1.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 18.2 For the purposes of article 18.1:-
- 18.2.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- 18.2.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

## **PROCEEDINGS OF DIRECTORS**

- 19.1 Subject to the provisions of these articles, the Directors may regulate their proceedings as they think fit.
- 19.2 A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors.
- 19.3 The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed it shall be two persons.
- 19.4 Questions arising at a meeting shall be decided by a majority of votes.
- 19.5 The Directors may elect one of their number to be chairman of the board of Directors and may at any time remove him from that office.
- 19.6 If there is no Director holding the office of chairman, or if the Director holding it, having had notice of a meeting, is not present within five minutes after the

time appointed for it, the Directors present shall appoint one of their number to be chairman of that meeting.

- 19.7 In the case of an equality of votes, the chairman shall not have a second or casting vote.
- 19.8 A Director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
- 19.9 Any Director for the time being absent from the United Kingdom shall be entitled to be given reasonable notice of meetings of the Directors to such address (including, without limitation, an email address) as the director may from time to time notify to the Company.
- 19.10 An alternate Director who is not himself a director may, if his appointor is not present, be counted towards the quorum.
- 19.11 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number but, in such case, if the number of Directors is less than the number fixed as the quorum, he or they may act only for the purpose of filling vacancies or of calling a general meeting.
- 19.12 A meeting of the Directors shall, subject to notice thereof having been given in accordance with these articles, for all purposes be deemed to be held when a Director is or Directors are in communication by telephone or television (or any other form of audio-visual linking) with another Director or Directors if the number of the Directors in communication constitutes a quorum of the board in accordance with these articles. A resolution passed by the Directors at such a meeting as specified in this article 19.12 shall be as valid as it would have been if passed at an actual meeting duly convened and held.
- 19.13 A resolution in writing executed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may be contained in one document or in several documents in the same terms each executed by one or more Directors; but a resolution executed by an alternate director need not also be signed by his appointor and, if it is executed by a Director who has appointed an alternate director, it need not be executed by the alternate director in that capacity.
- 19.14 A director who is in any way either directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company:-
- 19.14.1 shall declare the nature of his interest at a meeting of the Directors in accordance with section 317 of the Act;
- 19.14.2 subject to such disclosure, shall be entitled to vote in respect of any contract or arrangement in which he is interested and if he shall do so his vote shall be

counted and he may be taken into account in ascertaining whether a quorum is present.

## **ALTERNATE DIRECTORS**

- 20.1 Any Director may at any time by writing under his hand and deposited at the office, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved.
- 20.2 The appointment of an alternate director shall determine on the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor ceases to be a Director.
- 20.3 An alternate director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these articles shall apply as if he (instead of his appointor) were a Director.
- 20.4 If an alternate director shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative.
- 20.5 If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability, the execution by an alternate director of any resolution in writing of the Directors shall be as effective as the execution by his appointor.
- 20.6 To such extent as the Directors may from time to time determine in relation to any committees of the Directors, the foregoing provisions of this article 19 shall also apply mutatis mutandis to any meeting of such committee of which the appointor of an alternate director is a member.
- 20.7 An alternate director shall not (save as provided in this article 20) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these articles, but he shall be an officer of the Company and shall not be deemed to be the agent of the Director appointing him.
- 20.8 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

## EXECUTION OF DOCUMENTS

21. Where the Act so permits, any instrument signed by one Director and the secretary or by two Directors and expressed to be executed by the Company as a deed shall have the same effect as if executed under the seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended by the person or persons making it to have effect as a deed without the authority of the Directors or of a committee authorised by the Directors in that behalf.

## DIVIDENDS

22. The Directors may deduct from any dividend payable on or in respect of a Share all sums of money presently payable by the holder to the Company on any account whatsoever.

## NOTICES

- 23.1 A notice may be given by the Company to any Shareholder in writing either by hand or by sending it by pre-paid first class post or facsimile telecopier (*fax*) to his registered address within the United Kingdom or to his fax number supplied by him to the Company for the giving of notice to him. In the absence of such address or fax number the member shall not be entitled to receive from the Company notice of any meeting.
- 23.2 In the case of joint holders of a Share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.
- 23.3 Notices shall be deemed to have been received:-
- 23.3.1 if delivered by hand, on the day of delivery;
- 23.3.2 if sent by first class post, two business days after posting exclusive of the day of posting; and
- 23.3.3 if sent by fax at the time of transmission or, if the time of transmission is not during the addressee's normal business hours, at 9.30 am on the next business day.

## INDEMNITY

24. Subject to the provisions of and so far as may be permitted by the Act, every director, auditor, secretary or other officer of the company shall be entitled to be indemnified out of the assets of the company against all costs, charges, losses, expenses and liabilities incurred or sustained by him in the execution and discharge of his duties or otherwise in relation thereto. Regulation 118 of Table A shall be extended accordingly.