

Company No. 04214548

The Companies Act 1985 and 1989

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**COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION OF  
M.A. INTERNATIONAL LIMITED**

Adopted by written resolution passed on  
30 September 2002

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## **1 PRELIMINARY**

- 1.1** Subject as provided in these Articles, the regulations contained or incorporated in Table A in the Schedule of the Companies (Tables A to F) Regulation 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 ("**Table A**") shall apply to the Company.
- 1.2** Regulations 2, 24, 25, 40, 41, 46, 50, 51, 52, 53, 64, 65, 73, 74, 75, 76, 77, 78, 81, 82, 87 and 89, 94-96, 101 and 118 of Table A shall not apply to the Company.
- 1.3** These Articles and the regulations incorporated in them shall take effect subject to the requirements of the Act and of every other statute for the time being and from time to time in force affecting the Company (together the "**Statutes**").
- 1.4** In these Articles, where the context so permits, words importing the singular number only shall include the plural number, and vice versa, words importing the masculine gender only shall include the feminine gender, words importing persons shall include corporations and the expression "paid up" shall include credited as paid up.
- 1.5** In construing these Articles, general words introduced by the word "**other**" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

## **2 DEFINITIONS**

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

"**Act**" means the Companies Act 1985 (as amended by the Companies Act 1989).

"**Address**" in relation to Electronic Communications, has the meaning given by Section 262 of the Companies Act.

"**Auditors**" means the auditors of the Company from time to time.

"**Borrowings**" means the borrowing by the Group and also:

- (a) all amounts of any third party indebtedness (excluding intra-group liabilities) from time to time the subject of a guarantee or indemnity given by, or any other form of analogous comfort enforceable against, any Group Company, in favour of any person;
- (b) the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of a Group Company;
- (c) the principal amount of any debenture (whether secured or unsecured) of any Group Company owned otherwise than by any other Group Company;
- (d) the principal amount of any preference share capital of any subsidiary owned otherwise than by a Group Company;
- (e) any fixed or minimum amount payable on final repayment of any borrowing or deemed borrowing; and

- (f) the aggregate liabilities (whether presently payable or arising in the future) arising under all credit sale, hire purchase and any other agreements of Group Companies providing for payment on deferred terms but excluding normal trade credit arising in the ordinary course of business (which shall include, without limitation, arrangements in the normal course of trading for the supply of goods subject to retention of title).

**"Board of Directors"** means the directors present at a duly convened quorate meeting of the board of directors or a duly appointed committee of the board of directors.

**"Business Day"** means a day, other than a Saturday, Sunday, bank or public holiday on which banks are generally open in London for business.

**"Compensation Committee"** means the compensation committee from time to time of the Company.

**"Controlling Interest"** means Ordinary Shares (or the beneficial interest in Ordinary Shares) which confer in aggregate on the holders more than 50 per cent of the total voting rights at general meetings of the Company conferred by all the Ordinary Shares in issue at the relevant time.

**"Director"** means a director from time to time of the Company.

**"EBT"** means the employee benefit trust operating under the name ma partners Employee Benefit Trust to be established by the Company by trust deed shortly following the adoption of these Articles for the benefit of the employees of any Group Company from time to time.

**"Electronic Communication"** has the meaning given by Section 15 of the Electronic Communications Act 2000.

**"Financial Year"** means a financial year for the purposes of the Act.

**"Group"** means the Company and its subsidiary undertaking(s) (if any) from time to time and references to **"Group Company"** and **"members of the Group"** shall be construed accordingly.

**"Listing"** means the admission of all or any of the issued equity share capital of the Company:

- (a) to the Official List of the UK Listing Authority becoming effective in accordance with rule 7.1 of the rules made by the Listing Authority pursuant to Part IV of the Financial Services and Markets Act 2000; or
- (b) to trading on the Alternative Investment Market ("**AIM**") of the London Stock Exchange becoming effective in accordance with rule 6 of the rules of the London Stock Exchange governing admission to and operation of AIM; or
- (c) to, or permission to deal on, any other Recognised Investment Exchange becoming unconditionally effective.

**"London Stock Exchange"** means the London Stock Exchange plc.

**"mav"** means m.a. ventures Limited (company number 3667948)

**"Ordinary Shares"** means the ordinary shares of one penny each in the capital of the Company.

**"Recognised Investment Exchange"** shall have the meaning given to it in section 285 of the Financial Services and Markets Act 2000.

**"Sale"** means the unconditional sale, disposal or transfer of a Controlling Interest or the unconditional sale, disposal or transfer of the whole of the issued share capital of the Company (other than any Ordinary Shares already owned by the prospective purchaser or purchasers immediately prior to the Sale) to a single purchaser or to one or more purchasers as part of a single transaction.

**"Shareholders' Agreement"** means the subscription and shareholders' agreement dated on or shortly after the adoption of these Articles and made between, among others, the Company, the Directors (as defined in the shareholders' agreement) and the Shareholders (as defined in the shareholders' agreement) as the same may be amended from time to time.

**2.2** The terms **"equity share capital"**, **"subsidiary"**, **"subsidiary undertaking"**, **"parent undertaking"**, **"holding company"** and **"financial year"** shall have the meanings respectively attributed to them at the date of the adoption of these Articles by the Act.

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

**2.4** A reference in these Articles to the transfer of any Ordinary Share shall mean the transfer of either or both of the legal and beneficial ownership in that Ordinary Share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in that Ordinary Share and the following shall be deemed (but without limitation) to be a transfer of an Ordinary Share:

- (a) any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Ordinary Share that that Ordinary Share be allotted or issued to some person other than himself;
- (b) any sale or other disposition of any legal or equitable interest in an Ordinary Share (including any voting right attached to it) and whether or not by the registered holder of it and whether or not for consideration or otherwise and whether or not effected by an instrument in writing; and
- (c) any grant of a legal or equitable mortgage or charge over any Ordinary Share.

### **3 SHARE CAPITAL**

**3.1** The authorised share capital of the Company at the date of the adoption of these Articles is £1,000,000 divided into 100,000,000 Ordinary Shares.

**3.2** The Ordinary Shares shall carry the rights and privileges and shall be subject to the provisions and restrictions set out in these Articles.

### **4 ISSUE OF ORDINARY SHARES**

**4.1** The Company shall not allot or issue any ordinary shares in the capital of the Company unless authorised so to do by an ordinary resolution of the Company in general meeting and shall, unless prior authority is obtained from the holders of 50% of the issued Ordinary Shares, only issue additional ordinary shares as fully paid shares.

**4.2** Subject to the provisions of these Articles and to the Shareholders Agreement, the Directors are generally authorised for the purposes of section 80 of the Act to allot relevant

securities (as defined in section 80) to such persons, at such times and on such terms as they think proper.

**4.3** The maximum amount of relevant securities which may be allotted pursuant to the authority contained in this Article shall save to the extent varied by ordinary resolution following the adoption of these Articles be such number of relevant securities as will when added together with the other issued shares of the Company not exceed 6,500,000 Ordinary Shares.

**4.4** The authority contained in this Article shall expire on the fifth anniversary of the date of adoption of these Articles of Association but may be previously revoked or varied by an ordinary resolution of the Company. The Company may before that expiry date make an offer or agreement which would or might require Ordinary Shares to be allotted after that expiry date and the Directors may allot ordinary shares in pursuance of that offer or agreement as if the power conferred by this Article had not expired.

## **5 VOTING RIGHTS IN GENERAL MEETING**

**5.1** The holders of the Ordinary Shares shall be entitled to receive notice of and to attend and vote at general meetings of the Company. On a show of hands every member holding one or more Ordinary Share who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, shall have one vote and on a poll every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote for each Ordinary Share in the capital of the Company of which he or it is the holder.

**5.2** If any transfer of Ordinary Shares or any interest in any Ordinary Share shall be made in breach of the provisions of these Articles or the Shareholders' Agreement the holder in question of the Ordinary Shares (whether the transferor or the transferee) shall cease forthwith to be entitled to exercise at any general meeting any votes in respect of the transferred Ordinary Shares until the relevant breach has been remedied.

## **6 DIVIDENDS**

**6.1** The rights and restrictions as regards income attaching to the Ordinary Shares shall be as set out in this Article 6.

**6.2** The holders of the Ordinary Shares shall be entitled to be paid in respect of each Financial Year of the Company out of the profits available for distribution and from time to time such other distribution resolved to be distributed (if any) by the Board in respect of the Ordinary Shares.

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

## **7 LIEN**

In Regulation 8 of Table A the words and brackets "(not being a fully paid share)" shall be deemed to be deleted and Regulation 8 shall be modified accordingly.

## **8 REFUSAL TO REGISTER TRANSFERS**

- 8.1** Subject to Article 8.2 and except in the case of a transfer of any Ordinary Share made in accordance with the provisions of these Articles the Board of Directors may, in its absolute discretion, refuse to register any proposed transfer of an Ordinary Share whether or not it is a fully paid share including any transfer to a person who has not validly executed a Deed of Adherence (as defined in the Shareholders Agreement) to the Shareholders Agreement.
- 8.2** Except in the case of a Sale or Listing the Board of Directors, may in its absolute discretion, refuse to register any proposed transfer of an Ordinary Share if the effect of such registration would be to crystallise a constructive termination of the partnership which the Company is treated as being by United States tax laws.
- 8.3** A person executing an instrument of transfer of an Ordinary Share shall be deemed to remain the holder of that Ordinary Share until the name of the transferee shall be entered in the register of members as the holder of that Ordinary Share.

## **9 TRANSFER PROVISIONS**

- 9.1** Subject as provided in this Article 9 and Article 10 every member who wishes to transfer any unrestricted Ordinary Shares (as defined in Article 10) (the "**Vendor**") shall give notice in writing to the Company (the "**Transfer Notice**") of that wish.
- 9.2** Each Transfer Notice shall:
- (a) specify the number and class of shares which the Vendor wishes to transfer (the "**Sale Shares**");
  - (b) specify the identity of the person to whom the Vendor intends to transfer the Sale Shares (the "**Proposed Transferee**");
  - (c) specify the price per Sale Share (the "**Sale Price**") at which the Vendor is prepared to transfer the Sale Shares;
  - (d) not be capable of variation or cancellation.
- 9.3** Each Vendor shall be obliged to give written notice to the Company of the transfer of the Sale Shares within 7 Business Days of completion of such sale.

## **10 COMPULSORY TRANSFERS**

- 10.1** For the purposes of this Article 10 if, at any time any director, employee or consultant of the Company or any Group Company shall subject to Article 10.5, cease to be a director, employee or consultant of the Company or relevant Group Company or has not within 30 Business Days of adoption of these Articles validly executed the Shareholders Agreement and any Prescribed Documents (as defined in the Shareholders Agreement) requiring execution by that person then that person (a "**Restricted Shareholder**"), if he is the holder of Ordinary Shares (or, where relevant, his personal representatives or trustee in bankruptcy) in the absence of a resolution of the Board shall on the expiry of 5 Business Days of the cessation of the directorship, employment or consultancy or such 30 Business Day period (as relevant) be deemed to have served a transfer notice (a "**Deemed Transfer Notice**") for such holding of Ordinary Shares as are deemed to constitute restricted Ordinary Shares (the "**Restricted Shares**") as shown in the table below or such

other percentage as the Board resolves which shall be offered for sale at the nominal value which for this purpose shall be deemed to be at the Sale Price.

<b>Relevant Period</b>	<b>Relevant percentage of Restricted Shares</b>
In the period ended 31 December 2002	100%
In the period 1 January 2003 to 31 March 2003	90%
In the period 1 April 2003 to 30 June 2003	80%
In the period 1 July 2003 to 30 September 2003	70%
In the period 1 October 2003 to 31 December 2003	60%
In the period 1 January 2004 to 31 March 2004	50%
In the period 1 April 2004 to 30 June 2004	40%
In the period 1 July 2004 to 30 September 2004	30%
In the period 1 October 2004 to 31 December 2004	20%
In the period 1 January 2005 to 31 March 2005	10%
After 1 April 2005	NIL

- 10.2** The Company shall within three months after the date of any Deemed Transfer Notice to which this Article 10 applies be at liberty (but shall not be obliged) to itself repurchase or invite the EBT to apply for all or any of the Sale Shares comprised in the Deemed Transfer Notice and in the absence of making any such invitation or in the absence of any such invitation being accepted, to transfer those Ordinary Shares at the Sale Price to a person nominated to hold those Ordinary Shares as trustee pending identification of employees to invite to apply for some or all of the Sale Shares.
- 10.3** Subject to the provisions of this Article 10 all Ordinary Shares shall become freely transferable by their respective holders when they cease to be Restricted Shares (the "Unrestricted Shares").
- 10.4** In respect of upto 75 per cent of any Restricted Shares held by a Restricted Shareholder the Board may, at its discretion, choose not to effect a repurchase by the Company or invite the EBT to apply for the Sale Shares comprised in the Deemed Transfer Notice or transfer those Ordinary Shares to a person nominated as trustee pending identification of employees.
- 10.5** The provisions of Article 10.1 shall not apply to any director, employee or consultant of the Company or any Group Company if that individual shall continue to be employed or engaged by the Company or any Group Company in the capacity of a director, employee or consultant being a position other than that which he originally held.

## **11 DRAG ALONG<sup>1</sup>**

- 11.1** If the holder(s) of at least 75% of the Ordinary Shares in issue on the date on which a Drag Along Notice (as defined in Article 11.2) is given (for the purposes of this Article 11

<sup>1</sup> Adopted at an Extraordinary General Meeting as a special resolution on 31 August 2006.



the "**Selling Shareholders**") wish to transfer all (but not some only) of their Ordinary Shares (the "**Sale Shares**"), they shall have the option (the "**Drag Along Option**") to require, in accordance with this Article 11, all of the other holders of Ordinary Shares in issue on the Drag Along Completion Date (as defined in Article 11.5) (the "**Other Shareholders**") to transfer the entire legal and beneficial ownership of all their Ordinary Shares to a bona fide and arm's length third party purchaser (the "**Third Party Purchaser**").

- 11.2** The Selling Shareholders may exercise the Drag Along Option by giving notice to that effect (a "**Drag Along Notice**") to all of the Other Shareholders (for which purpose, a Drag Along Notice may be given (but shall not be required to be given) to any person who, on the date on which it is given, has any right (whether exercisable on such date or in the future and whether contingent or not) to acquire Ordinary Shares which right is or will be or may be capable of being exercised prior to the Drag Along Completion Date (as defined in Article 11.5). If, subsequent to giving a Drag Along Notice, any person becomes a holder of Ordinary Shares prior to the Drag Along Completion Date (as defined in Article 11.5), the Selling Shareholders may exercise the Drag Along Option in respect of the Ordinary Shares of any such person by sending a copy of the Drag Along Notice to such person and for the purposes of this Article 11, the Drag Along Notice and any such copy given to any such person shall all be taken together and constitute one and the same Drag Along Notice. A Drag Along Notice shall specify that the Other Shareholders are required to transfer all of their Ordinary Shares (including, for the avoidance of doubt, any Ordinary Shares held by them on the Drag Along Completion Date (as defined in Article 11.5) which have been acquired after the date on which the Drag Along Notice is given) pursuant to this Article 11 to the Third Party Purchaser, the price at which the Ordinary Shares are to be transferred (determined in accordance with Article 11.4) the proposed date of transfer and the identify of the Third Party Purchaser.
- 11.3** A Drag Along Notice shall be irrevocable and shall lapse if for any reason the Selling Shareholders shall not sell their Ordinary Shares to the Third Party Purchaser within 90 days after the date of the Drag Along Notice.
- 11.4** The Other Shareholders shall be obliged to sell their Ordinary Shares (including, for the avoidance of doubt, any Ordinary Shares held by them on the Drag Along Completion Date (as defined in Article 11.5) which have been acquired after the date on which the Drag Along Notice is given) at the price specified in the Drag Along Notice which shall attribute an equal value to each of the Ordinary Shares. Where the price specified in the Drag Along Notice is to be satisfied in whole or in part by any non-cash consideration ("**Non-cash Consideration**"), the arrangements for the transfer of Ordinary Shares to the Third Party may provide for such exclusions or arrangements in respect of a cash alternative to such Non-cash Consideration as the Third Party may deem necessary or expedient in relation to legal or practical problems under the laws of any territory PROVIDED that, in the opinion of the Board of Directors, such exclusions or arrangements are not unfairly prejudicial to any Other Shareholder to which such exclusions or arrangements apply.
- 11.5** Completion of the sale of the Other Shareholders' Ordinary Shares shall take place on the same date as the date proposed for completion of the sale of the Selling Shareholders Shares or, if later, the date on which completion of the sale of the Selling Shareholders Shares actually occurs (the "**Drag Along Completion Date**").
- 11.6** Each of the Other Shareholders shall on the date of service of the Drag Along Notice (or, if later, the date on which such Other Shareholder acquires Ordinary Shares) be deemed to

have irrevocably appointed by way of security each of the Selling Shareholders separately to be his attorney to execute any stock transfer and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Ordinary Shares. The rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale and transfer of Ordinary Shares to the Third Party Purchaser named in a Drag Along Notice.

## **12 TAG ALONG**

- 12.1** Subject to Article 11 no sale, transfer or other disposition of 50% or more of the Ordinary Shares or of any interest in any of those Ordinary Shares to a Third Party Purchaser (as defined in Article 11) (whether as a single transaction or a series of aggregated transactions giving the holder(s) a Controlling Interest) shall be permitted unless and until the Third Party Purchaser shall have offered to purchase all of the Ordinary Shares in the Company held by members who are unconnected with the Third Party Purchaser (the "**Remaining Members**").
- 12.2** The offer to be made by the Third Party Purchaser under Article 12.1 shall be in writing and capable of acceptance by the members for not less than 14 days from the date of the offer. The offer shall be deemed to have been irrevocably rejected by a member if that member shall not accept the offer in accordance with its terms, conditions and provisions and, in particular, but without limitation, the specified period for acceptance of the offer.
- 12.3** The price for the Remaining Members' Shares shall be no less than the price offered by the Third Party Purchaser for the other Ordinary Shares of the same class in the Company.
- 12.4** The consideration for the Ordinary Shares which the Third Party Purchaser shall have offered to purchase from the members shall be paid within 30 days of the date of the offer.

## **13 PROCEEDINGS AT GENERAL MEETINGS**

- 13.1** No business shall be transacted at any general meeting except when a quorum is present. Two persons entitled to vote on the business to be transacted each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.
- 13.2** If within half an hour from the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present for a period exceeding ten minutes, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other time and place as the members present may decide and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the member or members present shall constitute a quorum.
- 13.3** A resolution put to the vote of a meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded at any general meeting by the chairman, or by any member present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a member entitled to vote. Regulation 54 shall be amended accordingly.
- 13.4** The instrument appointing a proxy and any authority under which it is executed or a copy of that authority certified notarially or in some other way approved by the Board of Directors must be delivered to the registered office of the Company not less than 48 hours

before the time appointed for the holding of the meeting or to the place of the meeting at any time before the time appointed for the holding of the meeting and Regulations 46 and 62 shall be modified accordingly.

- 13.5** When a poll has been demanded it shall be taken immediately.
- 13.6** The chairman of the general meeting shall not, in the case of an equality of votes, whether on a show of hands or on a poll, be entitled to exercise any second or casting vote.
- 13.7** A resolution in writing signed or approved by letter, or facsimile by all the members entitled to receive notice of and attend and vote at general meetings shall be as effective as if the same had been passed at a general meeting of the Company duly convened and held, and may consist of several documents in the like form each signed or approved by one or more persons. In the case of a corporation the resolution may be signed or approved on its behalf by a Director or the secretary or by its duly appointed attorney or duly authorised representative. This Article is in addition to, and not limited by, the provisions in sections 381A, 381B and 381C of the Act.
- 13.8** A general meeting or a meeting of any class of members of the Company may consist of a conference between members some or all of whom are in different places provided that each member who participates is able:
- (a) to hear each of the other participating members addressing the meeting; and
  - (b) to address all of the other participating members simultaneously,
- whether directly, by conference telephone or by any other form of communications equipment or by a combination of them,
- 13.9** A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number of members required to form a quorum.
- 13.10** A meeting held in this way is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.
- 13.11** A resolution put to the vote of a meeting shall be decided by each member indicating to the chairman (in such manner as the chairman may direct) whether the member votes in favour of or against the resolution or abstains.
- 13.12** References in this Article 13 to members shall include their duly appointed proxies and, in the case of corporate members, their duly authorised representatives.

## **14 NUMBER OF DIRECTORS, APPOINTMENT AND REMOVAL**

- 14.1** The number of directors shall be not less than three nor more than ten. Regulation 90 shall be deemed to be modified by the deletion therefrom of the words "filling vacancies or of".
- 14.2** A Director shall be appointed and removed by a resolution of the Board of Directors.
- 14.3** The Company may from time to time by ordinary resolution increase or reduce the number of Directors, and may also determine in what rotation such increased or reduced number is to go out of office and without prejudice to the provisions of the next following Article may by ordinary resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director.

- 14.4** The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles. Subject to the provisions of the Act and of these Articles, any Director so appointed shall hold office only until the conclusion of the next following annual general meeting, and shall be eligible for reappointment at that meeting. Any Director who retires under this Article shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

## **15 ALTERNATE DIRECTOR**

- 15.1** A Director (other than an alternate director) may appoint by notice in writing any other Director to be an alternate director and may remove from office by notice in writing an alternate director so appointed. Any appointment of an alternate director of the Company may provide for two or more persons in the alternative to act as an alternate director of a Director.
- 15.2** A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 15.3** Any Director of the Company who is appointed an alternate director shall be entitled to vote at a meeting of the Directors on behalf of his appointor in addition to his own vote as a Director and shall also be considered as two directors for the purpose of constituting a quorum of the Board of Directors.

## **16 PROCEEDINGS OF DIRECTORS**

- 16.1** The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The quorum for the transaction of business shall be 3 Directors: one of which shall be a non executive Director. A quorum of Directors must be present throughout all meetings of the Board of Directors.
- 16.2** If within half an hour from the time appointed for the meeting a quorum is not present, or if during the meeting a quorum ceases to be present for a period exceeding ten minutes, the meeting shall stand adjourned to the same day in the next week, at the same time and place and a written notice of this fact shall be circulated by the secretary to each of the Directors within 24 hours of the meeting being adjourned. If, subject to the circulation of this notice, at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Director or Directors present shall constitute a quorum.
- 16.3** A resolution in writing signed or approved by letter or facsimile by all the Directors entitled to receive notice of a meeting of the Board of Directors or of a committee of the Board of Directors shall be as valid and effectual as if it had been passed at a meeting of the Board of Directors or (as the case may be) a committee of the Board of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors. A resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
- 16.4** In the case of an equality of votes at any meeting of the Board of Directors the chairman of that meeting shall not have a second or casting vote. Regulation 88 shall be modified accordingly.

- 16.5** For a resolution to be valid, at least one non executive Director (being a Director who is not an Executive (as defined in the Shareholders Agreement)) of the Company must have voted in favour of that resolution.
- 16.6** A meeting of the Board of Directors may consist of a conference between Directors some or all of whom are in different places provided that each Director who participates is able:
- (a) to hear each of the other participating Directors addressing the meeting; and
  - (b) to address all of the other participating Directors simultaneously,
- whether directly, by conference telephone or by any other form of communications equipment or by a combination of them.
- 16.7** A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number of Directors required to form a quorum under Article 16.1. A meeting held in this way shall be deemed to take place where the largest group of participating Directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting shall participate.
- 16.8** Except pursuant to a resolution of the Board of Directors, the Board of Directors shall not delegate any of its powers to a committee (other than as specified in the Shareholders Agreement) and meetings of the Board of Directors may be held either within or outside the United Kingdom.
- 16.9** A Director who is in any way, whether directly or indirectly, interested in any contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company shall declare the nature of his interest at a meeting of the Board of Directors in accordance with the Act.
- 16.10** Subject to the disclosure being made in accordance with Article 16.9 and in accordance with the Act and subject also to the provisions of Article 16.11, a Director may vote as a Director on a resolution concerning any matter in which he has, directly or indirectly, an interest or duty and, if he votes, his vote shall be counted and he shall be counted in the quorum when that resolution or matter is under consideration.
- 16.11** A member of the Compensation Committee may not at any meeting of that committee vote on any business concerning his own office, remuneration or benefits or in which he has a direct interest and he shall not be counted in the quorum in relation to that business.

## **17 RETIREMENT BY ROTATION**

- 17.1** Subject to the provision of these Articles one-third of the Directors shall retire from office at the annual general meeting every year, provided that each director retires from office at least once every three years. If the number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office. A director so retiring shall retain office until the close of that meeting.
- 17.2** Subject to the provisions of the Act and of these Articles, the Directors to retire in every year shall be those who have been longest in office since their last appointment or reappointment but as between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Subject to the preceding provisions of this Article, a retiring Director shall be eligible for reappointment.

- 17.3** The Company at the meeting at which a Director retires by rotation may fill the vacated office, and in default the retiring Director, if willing to act, shall be deemed to have been reappointed until the dissolution of the annual general meeting in the next year, unless at such first meeting it is expressly resolved not to fill the vacancy, or a resolution for the reappointment of such Director is put to the meeting and lost.
- 17.4** No person other than a Director retiring at the meeting shall, unless recommended by the Directors for appointment, be eligible for appointment to the office of a Director at any general meeting unless, not less than seven nor more than fourteen days before the day appointed for the meeting (excluding the day the notice is lodged and the day of the meeting), there shall have been lodged at the office notice in writing by some Member (not being the person specified in such notice to be proposed) duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for appointment and stating the name and address of such person, and also notice in writing signed by the person to be proposed of his willingness to be appointed.
- 17.5** At a general meeting a motion for the appointment of two or more persons as Directors by a single resolution shall not be made unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it, and for the purpose of this Article a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

## **18 BORROWING POWERS**

- 18.1** Subject as provided in Articles 18.2 to 18.4, the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, properly and assets (present and future) and uncalled capital, and, subject to the Act, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.
- 18.2** The Directors shall restrict the Borrowings of the Company and shall procure the exercise of all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (as regards subsidiary undertakings so far as by exercising those rights and powers the Directors can secure) that the aggregate amount outstanding of all borrowings by the Group (excluding money owed by any member of the Group to any other member of the Group) shall not at any time without the previous sanction of the holders of more than 50% of the issued Ordinary Shares exceed £5,000,000.
- 18.3** A certificate or report by the Auditors as to the amount of any Borrowings or to the effect that the limit imposed by these Articles has not been or will not be exceeded at any particular time or times shall (in the absence of manifest error) be conclusive evidence of that amount or of that fact.
- 18.4** No lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by Article 18.2 shall have been observed and no borrowing incurred or security given in excess of that limit shall be valid or ineffective unless the lender or other person shall have received notice at the time when the borrowing was incurred or security given that the limit had been or was thereby exceeded.

## **19 COMPANY SEAL**

The Board of Directors shall decide whether the Company shall have a seal and if so shall provide for its safe custody. The seal shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors, and every instrument to which the seal shall be affixed shall be signed by a Director and shall be countersigned by the secretary or by a second Director or by some other person appointed by the Directors for the purpose.

## **20 NOTICES**

**20.1** Any notice to be given under these Articles shall be in writing.

**20.2** The Company may give any notice to a member either personally, by sending it through by post in a prepaid envelope addressed to the member at his registered address, by leaving it at that address or by facsimile process. A member whose registered address or residential address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, otherwise his notice shall be sent to his address outside the United Kingdom.

**20.3** A member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

**20.4** Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

**20.5** Proof that:

(a) an envelope containing a notice was properly addressed, prepaid and posted (by first class post, where available); or

(b) a facsimile transmission setting out the terms of a notice was properly despatched, shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiry of 24 hours after the envelope containing it was so posted or on the case of delivery by air mail at the expiry of 3 Business Days after the envelope containing it was so posted or, in the case of facsimile transmission, when despatched.

**20.6** A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until that address has been supplied, a notice may be given in any manner in which it might be given if the death or bankruptcy had not occurred.

**20.7** The Company may also, subject to applicable legislation, deliver any notice or other document (including where such notice or document is required to be given in writing pursuant to these Articles), excluding a share certificate, to a shareholder or a Director by Electronic Communication where:

- (a) the Company and that shareholder and/or Director have agreed to the use of Electronic Communication for sending copies of documents to the shareholder and/or a Director and:
  - (i) the documents are documents to which the agreement applies; and
  - (ii) copies of the documents are sent using Electronic Communication to such Address (or to one of such Addresses if more than one) as may be notified to the Company by the shareholder and/or the Director for that purpose; or
- (b) The Company and that shareholder and/or Director have agreed to that shareholder and/or Director having access to documents on a website (instead of the documents being sent to him) and:
  - (i) the documents are documents to which the agreement applies; and
  - (ii) the shareholder and/or Director is notified in a manner agreed for the purpose between the Company and the shareholder and/or Director of:
    - (A) the publication of the documents on a website;
    - (B) the address of that website;
    - (C) the place on that website where the documents may be accessed and how they may be accessed; and
    - (D) the period of time for which the documents will be available on the website, which must be for a period of not less than 21 days from the date of notification or, if later, until conclusion of any general meeting to which the documents relate; and
- (c) the documents are published on that website throughout the period referred to in Article 20.7(b) above, provided that, if the documents are published on that website for a part but not all of such period, the documents will be treated as published throughout that period if the failure to publish those documents throughout the period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

**20.8** Where a notice or other document is sent by the Company by Electronic Communication, it shall be deemed to have been sent at the expiration of forty eight hours from the time it was sent to an address supplied by the shareholder and/or the Director or of notification to the shareholder or the Director of its publication on a website. Proof that a notice or other document given or sent by Electronic Communication was given or sent in accordance with current guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice or document was sent or given.

## **21 INDEMNITY**

Subject to the provisions of the Act and save in the event of fraud, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, losses and liabilities which he may sustain or incur in or about the execution of the duties of his office and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office.



## **22 INSURANCE**

The Board shall have the power to purchase and maintain for any director or other officer insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

## **23 WINDING UP**

In a winding up the liquidator may, with the sanction of an extraordinary resolution, distribute all or any of the assets in specie among the members in such proportions and manner as may be determined by that resolution, provided always that if any such distribution is proposed to be made otherwise than in accordance with the existing rights of the members, every member shall have the same right of dissent and other ancillary rights as if that resolution were a special resolution passed pursuant to Section 110 of the Insolvency Act 1989. Regulation 117 of Table A shall be read subject to this Article.