

Company number 04303041

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTIONS  
OF  
THUNDERHEAD LIMITED  
(the "Company")**

WEDNESDAY



A48

\*APXCPW6Z\*

27/07/2011

COMPANIES HOUSE

5

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "**Act**"), the following resolutions (the "**Resolutions**") were passed by way of written resolution on 11 July 2011, in the case of Resolution 1 to 3 (inclusive), as special resolutions, and, in the case of Resolutions 4 and 5, as ordinary resolutions

**SPECIAL RESOLUTIONS**

- 1 **THAT** the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 Companies Act 2006, are to be treated as part of the Company's articles of association,
- 2 **THAT** the articles of association attached to this written resolution (the "**Amended Articles**") be and hereby are approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company,
- 3 **THAT** for the purposes of section 630(4)(b) of the Act, each and every modification, variation, abrogation or surrender of the rights and privileges attached to the ordinary shares of £0.05 each in the capital of the Company (the "**Ordinary Shares**") as will or may be involved in or effected by or pursuant to the passing and implementation of Resolution 2 above and/or Resolutions 4 and 5 below be hereby sanctioned and consented to,

**ORDINARY RESOLUTIONS**

- 4 **THAT** 14,848,128 of the Ordinary Shares registered in the name of Glen Manchester in the register of members of the Company be re-designated as 14,848,128 A Ordinary Shares of £0.05 each, each carrying the rights and being subject to the restrictions set out in the Amended Articles, and

- 5     **THAT** the 3,456,640 Ordinary Shares, in aggregate, registered in the names of Martin Davey, Marc Plant, Geoffrey Niven and Gary O'Brien be re-designated as 3,456,640 B Ordinary Shares of £0.05 each, each carrying the rights and being subject to the restrictions set out in the Amended Articles

A handwritten signature in black ink, reading "Paul Milton". The signature is written in a cursive, flowing style with a large initial 'P'.

**DIRECTOR**

Company Number: 04303041

THE COMPANIES ACT 2006

---

PRIVATE COMPANY LIMITED BY SHARES

---

ARTICLES OF ASSOCIATION

of

THUNDERHEAD LIMITED

**PRICEWATERHOUSECOOPERS  LEGAL**

1 Embankment Place

London WC2N 6DX

Tel +44 (0) 20 7212 1616

Fax +44 (0) 20 7212 1570

**THE COMPANIES ACT 2006**

---

**PRIVATE COMPANY LIMITED BY SHARES**

---

**ARTICLES OF ASSOCIATION**

**of**

**THUNDERHEAD LIMITED**

**(the "Company")**

**Adopted by special resolution of the Company on 11<sup>th</sup> July 2011**

**1 PRELIMINARY**

1 1 The articles contained in the model articles for private companies limited by shares as set out in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended by any subsequent or future articles (the "**Model Articles**") shall apply to the Company so far as they relate to private companies limited by shares but save in so far as they are excluded or varied hereby and such articles (save as so excluded or varied) and the articles hereinafter contained shall be the articles of association of the Company

1 2 In these articles, unless the context otherwise requires

**'Accepting Shareholder'** shall, for the purposes of the relevant article, have the meaning given in article 12 3,

**'A Ordinary Shareholder Consent'** the prior written consent of A Ordinary Shareholder(s) holding, in aggregate, a majority of the A Ordinary Shares,

**'A Ordinary Shareholder Direction'** a written request made by A Ordinary Shareholder(s) holding, in aggregate, a majority of the A Ordinary Shares,

**'A Ordinary Shareholders'** the holders of the A Ordinary Shares from time to time,

**'A Ordinary Shares'** A ordinary shares of £0 05 each in the share capital of the Company,

**'the Act'** the Companies Act 2006 and every statutory modification or re-enactment thereof for the time being in force,

<b>'acting in concert'</b>	has the meaning given to that term in the City Code on Takeovers and Mergers,
<b>'Adjustment'</b>	shall, for the purposes of the relevant article, have the meaning given in article 11 6,
<b>'Adjusted Hurdle'</b>	the Initial Hurdle increased in accordance with article 10 3
<b>'these articles'</b>	these articles of association as originally adopted or as altered from time to time by special resolution,
<b>'Accepting Shareholders'</b>	shall, for the purposes of the relevant article, have the meaning given in article 12 1,
<b>'Associated Company'</b>	has the meaning given to the term "associated bodies corporate" in section 256 of the Act,
<b>'Auditors'</b>	the auditors of the Company from time to time,
<b>'B Ordinary Shareholders''</b>	the holders of the B Ordinary Shares from time to time,
<b>'B Ordinary Shares'</b>	B ordinary shares of £0 05 each in the share capital of the Company,
<b>'Board'</b>	the board of directors of the Company (or any duty authorised committee thereof) from time to time,
<b>'Board Notice'</b>	shall, for the purposes of the relevant article, have the meaning given in article 11 2,
<b>'Business Days'</b>	any day other than a Saturday, Sunday or any other day which is a public holiday in England,
<b>'C Ordinary Shareholders''</b>	the holders of the C Ordinary Shares from time to time,
<b>'C Ordinary Shares'</b>	C ordinary shares of £0 05 each in the share capital of the Company,
<b>'conflict of interest'</b>	any reference in these articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties,
<b>'Controlling Interest'</b>	an interest in shares (within the meaning of section 820 of the Act) conferring in aggregate more than 50 per cent of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue,
<b>'Deferred Consideration'</b>	shall, for the purposes of the relevant article, have the meaning given in article 8,
<b>'Deferred Share'</b>	a deferred share of £0 05 in the capital of the Company created pursuant to article 8 3,
<b>'Disposal Consideration'</b>	the consideration payable by the purchaser(s) being the aggregate of the cash consideration and/or the cash

	equivalent of any Non-cash Assets (including in each case any deferred or contingent consideration) paid for the sale, transfer or disposal of a Controlling Interest or the trade and/or assets of the Company which are the subject of the Sale of Business and Assets, after deduction of any fees or other expenses related to or triggered by the relevant Exit Event,
<b>'Disposal of a Controlling Interest'</b>	the sale, transfer or other disposal of a Controlling Interest to any person (whether or not a Shareholder) and/or any person acting in connection with such person,
<b>'electronic means'</b>	has the meaning given to that term in section 1168 of the Act,
<b>'Equity Value'</b>	on a Listing the projected market capitalisation of the Company on the Listing excluding any monies subscribed on the Listing (based on the issue price per share as determined by the Company on the advice of its brokers immediately prior to the Listing),
<b>'Excess'</b>	shall, for the purposes of the relevant article, have the meaning given in article 8 2, 8 3 or 8 4 (as the case may be),
<b>'Exit Event'</b>	any of <ul style="list-style-type: none"> <li>(i) a Sale of Business and Assets,</li> <li>(ii) the Disposal of a Controlling Interest,</li> <li>(iii) a Listing, or</li> <li>(iv) a liquidation or winding up of the Company</li> </ul> but excluding any event occurring as a result of a transaction or an arrangement whereby a new holding company owned by the then Shareholders in the same or substantially the same proportions as the proportions in which they hold the Shares acquires the whole of the trade and business of the Company or all of the Shares,
<b>'Expert'</b>	shall, for the purposes of the relevant article, have the meaning given in article 11 8,
<b>'Extra Shares'</b>	shall, for the purposes of the relevant article, have the meaning given in article 7 4,
<b>'Family Member'</b>	in relation to a Shareholder, any one or more of that person's spouse or civil partner or children (including step-children and adopted children),
<b>'Family Trust'</b>	in relation to a Shareholder, a trust or settlement set up

	wholly for the benefit of that person and/or that person's Family Members,
<b>'the Group'</b>	the Company and its subsidiary undertakings from time to time, or any of them as the context requires (and " <b>Group Company</b> " shall be construed accordingly),
<b>'Initial Hurdle'</b>	the sum determined by the Board in accordance with article 10 1,
<b>'Leaver'</b>	shall, for the purposes of the relevant article, mean <ul style="list-style-type: none"> <li>(a) any Shareholder who ceases to be a Relevant Person,</li> <li>(b) any Shareholder who is a Family Member of any person who ceases to be a Relevant Person,</li> <li>(c) any Shareholder which is the trustee of a Family Trust or the nominees of any person who ceases to be a Relevant Person;</li> <li>(d) any Shareholder who is connected with any person who ceases to be a Relevant Person,</li> <li>(e) any Shareholder who ceases to be the spouse or civil partner of a Relevant Person, or</li> <li>(f) any person who becomes entitled to any Shares <ul style="list-style-type: none"> <li>(i) on the bankruptcy of a Shareholder (if an individual) or the receivership, administrative receivership, administration, liquidation or other arrangement for the winding up (whether solvent or insolvent) of a Shareholder (if a company), or</li> <li>(ii) on the exercise of an option after ceasing to be a Relevant Person</li> </ul> </li> </ul>
<b>'Leaving Date'</b>	the date upon which a Leaver ceases to be a Relevant Person,
<b>'Listing'</b>	an application for admission to listing in respect of all or any of the Shares (or any redesignation thereof) to <ul style="list-style-type: none"> <li>(i) the Listing Authority and admission to trading on the main market of the London Stock Exchange plc, or</li> </ul>

	(ii) any other recognised investment exchange or overseas investment exchange and admission to trading on any such exchange,
<b>'Liquidation Surplus'</b>	such cash sum and the cash equivalent of any Non-Cash Asset as determined in accordance with article 9 1 as remains on a liquidation or winding up of the Company after all of its liabilities have been paid and all assets realised,
<b>'Minimum Transfer Condition'</b>	shall, for the purposes of the relevant article, have the meaning given in article 7 2,
<b>'Non-cash Assets'</b>	shall, for the purposes of the relevant article, have the meaning given in article 9,
<b>'Offeror'</b>	any person making a Qualifying Offer,
<b>'Offer Notice'</b>	shall, for the purposes of the relevant article, have the meaning given in article 7 3,
<b>'Ordinary Shareholders'</b>	the holders of the Ordinary Shares from time to time,
<b>'Ordinary Shares'</b>	ordinary shares of £0 05 each in the issued share capital of the Company,
<b>'PLC Model Articles'</b>	Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended by any subsequent or future articles,
<b>'Proportionate Allocation'</b>	shall, for the purposes of the relevant article, have the meaning given in article 7 4,
<b>'Qualifying Offer'</b>	an arm's length offer in writing by or on behalf of any person to an A Ordinary Shareholder(s) to acquire any or all of their A Ordinary Shares,
<b>'Relevant Person'</b>	an employee or director of, or consultant to the Company or any other Group Company,
<b>'Remaining Shareholders'</b>	shall, for the purposes of the relevant article, have the meaning given in article 12 2,
<b>'Sale of Business and Assets'</b>	the sale, transfer or other disposal of the whole or substantially the whole (as determined in the absolute discretion of the Board) of the trade and assets of the Company as part of a single transaction (or a series of linked transactions) to any person (whether or not a Shareholder) and/or any person acting in concert with such person,
<b>'Sale Price'</b>	shall, for the purposes of the relevant article, have the meaning given in article 7 1 2,
<b>'Sale Shares'</b>	shall, for the purposes of the relevant article, have the



	meaning given in article 7 1 1,
<b>'Sale Notice'</b>	shall, for the purposes of the relevant article, have the meaning given in article 7 7,
<b>'Share'</b>	any Ordinary Share, A Ordinary, B Ordinary Share and/or C Ordinary Share from time to time in issue,
<b>'the seal'</b>	the common seal of the Company and includes any official seal kept by the Company by virtue of sections 49 or 50 of the Act,
<b>'the secretary'</b>	the secretary of the Company and includes any assistant or deputy secretary and a person appointed by the directors to perform any of the duties of the secretary,
<b>'Shareholder'</b>	together, the Ordinary Shareholders, the A Ordinary Shareholders, the B Ordinary Shareholders and the C Ordinary Shareholders, and
<b>'Transfer Notice'</b>	shall, for the purposes of the relevant article, have the meaning given in article 7 1

**1 3 In these articles**

- 1 3 1 where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose,
- 1 3 2 the headings in these articles do not affect the interpretation of these articles,
- 1 3 3 words denoting the singular number include the plural number and vice versa, words denoting the masculine gender include the feminine gender, and words denoting persons include corporations,
- 1 3 4 save where expressly defined otherwise, any word or expression to which a meaning is assigned by the Act has a meaning so assigned, and
- 1 3 5 any question as to whether a person is connected with any other person shall be determined in accordance with the provisions of Income Tax Act 2007 section 993

**1 4 In these articles**

- 1 4 1 powers of delegation shall not be restrictively construed but the widest interpretation shall be given thereto,
- 1 4 2 the word **'directors'** in the context of the exercise of any power contained in these articles includes any committee consisting of one or more directors, any director holding executive office and any local or divisional directors of the Company to which or, as the case may be, to whom the power in question has been delegated,

1 4 3 no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation, and

1 4 4 except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by another body or person who is for the time being authorised to exercise it under these articles or under another delegation of the power

## 2 **LIABILITY OF MEMBERS**

The liability of each of the members is limited to the amount, if any, unpaid on the shares in the capital of the Company held by such member

## 3 **SHARE CAPITAL**

The share capital of the Company at the date of adoption of these articles comprises Ordinary Shares, A Ordinary Shares and B Ordinary Shares

## 4 **ALLOTMENT OF SHARES**

4 1 In accordance with section 551 of the Act the directors are generally and unconditionally authorised to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to £250,000 at any time or times during the period of five years from the date of adoption of these articles and the directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement made by the Company within that period. The authority hereby given may at any time (subject to section 551 of the Act) be renewed, revoked or varied by ordinary resolution of the Company

4 2 In accordance with section 570 of the Act, the directors are generally empowered to allot equity securities (as defined in section 560(1) of the Act) pursuant to the authority conferred by article 4 1 above, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to £250,000 at any time or times during the period of five years from the date of adoption of these articles (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired

## 5 **VOTING AND DIVIDEND RIGHTS**

5 1 On a vote

5 1 1 on a show of hands, every Shareholder who (being an individual) is present in person or (being a company) is present by a representative shall have one vote and every proxy duly appointed by one Shareholder (or, where more than one proxy has been duly appointed by the same member, all the proxies appointed by

that member taken together) shall have one vote, save where the same person is appointed proxy for more than one Shareholder he shall on a show of hands have as many votes as the number of Shareholders for whom he is proxy in addition to his own vote (if any) as a Shareholder, and

5 1 2 on a written resolution, every Shareholder shall have one vote for every Share of which he is the holder

5 2 At any time during which there are no C Ordinary Shares in issue, the Ordinary Shares, A Ordinary Shares and B Ordinary Shares shall rank pari passu as regards entitlement to dividends so that any profits that the directors resolve to distribute shall be distributed to the Ordinary Shareholders, A Ordinary Shareholders and B Ordinary Shareholders in respect of their holdings of such shares pari passu and pro rata to the number of such Shares held by them

5 3 The C Ordinary Shares shall have no entitlement to dividends (whether interim or final) distributed by the Company unless and until the aggregate amount received by the Ordinary Shareholders, A Ordinary Shareholders and B Ordinary Shareholders by way of dividends (whether in cash or Non-cash Asset) exceeds an amount equal to the Adjusted Hurdle (but so that reference to the date of the Exit Event in the definition thereof shall be a reference to the date of the relevant dividend instead) Following such time the Ordinary Shares, A Ordinary Shares, B Ordinary Shares and C Ordinary Shares shall rank pari passu as regards entitlement to dividends so that any profits that the directors resolve to distribute shall be distributed to the Ordinary Shareholders, A Ordinary Shareholders, B Ordinary Shareholders and C Ordinary Shareholders in respect of their holdings of such Shares pari passu and pro rata to the number of such Shares held by them

## 6 PERMITTED TRANSFERS

6 1 Any A Ordinary Shareholder may transfer any A Ordinary Share(s) at any time to any other person

6 2 Any Share may be transferred at any time by a Shareholder to any other person with consent by way of a majority decision of the Board

6 3 Any Shareholder may at any time transfer any Share to a nominee but any transfers by such nominee shall be subject to the same restrictions as though they were transfers by the beneficial owner

6 4 Any Shareholder may at any time transfer any Share to a Family Member over the age of 18 or to the trustees of a Family Trust

6 5 Any Shareholder who is a trustee of a Family Trust may at any time transfer any Share to

6 5 1 the new or remaining trustees of the Family Trust upon any change of trustees, and

- 6 5 2 any persons on their becoming entitled to the same under the terms of the Family Trust
- 6 6 If
- 6 6 1 a Shareholder ceases to be a Family Member, by reason of death, divorce or dissolution of civil partnership, or
- 6 6 2 a Shareholder who is a trustee of a Family Trust ceases to hold Shares on a Family Trust for the person from whom such Shares were acquired,
- such Shareholder must notify the Company and procure the transfer of their Share(s) to the person from whom such Shares were acquired as soon as reasonably practicable and, in any event, within 30 days of the date of such cessation
- 6 7 If the relevant Shareholder fails to procure a transfer required pursuant to article 6 6, the directors may authorise any individual to execute on behalf of, and as attorney for, that Shareholder any necessary instruments of transfer and to register the transferee as the holder of such Shares in the register of members of the Company After the name of the transferee has been entered in the register of members of the Company, in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person
- 6 8 Any Shareholder holding Shares as a result of a transfer made after the date of the adoption of these articles by a person in relation to whom such Shareholder was a permitted transferee may at any time transfer any Share to the person who originally transferred such Shares (the "**Original Shareholders**") (or to any other permitted transferee of such original transferor)
- 7 **TRANSFER OF SHARES**
- 7 1 Except in the case of a transfer pursuant to article 6 (Permitted Transfers), article 11 (Leavers) or article 12 (Drag Along Rights), a Shareholder who wishes to transfer any Shares (the "**Seller**") shall give notice in writing of such wish to the Company (the "**Transfer Notice**") Each Transfer Notice shall
- 7 1 1 specify the number of Shares which the Seller wishes to transfer (the "**Sale Shares**"),
- 7 1 2 specify the price per Share (the "**Sale Price**") at which the Seller wishes to transfer the Sale Shares,
- 7 1 3 be deemed to constitute the Company as the Seller's agent for the sale of the Sale Shares at the Sale Price in the manner prescribed by these articles, and
- 7 1 4 not be varied or cancelled (save with the consent of the Board and A Ordinary Shareholder Consent)

- 7.2 The Seller may provide in the Transfer Notice that, unless buyers are found for all or not less than a specified number of the Sale Shares, he shall not be bound to transfer any of such Shares ("**Minimum Transfer Condition**") and any such provision shall be binding on the Company
- 7.3 The Company shall within five Business Days following receipt of the Transfer Notice give notice thereof in writing to each of the A Ordinary Shareholders (the "**Offer Notice**") The Offer Notice shall offer for sale the Sale Shares at the Sale Price to the A Ordinary Shareholders The Offer Notice shall specify that the A Ordinary Shareholders shall have a period of 90 days from the date of the Offer Notice within which to apply for some or all of the Sale Shares
- 7.4 If the total number of Sale Shares applied for exceeds the number of Sale Shares available, the Sale Shares shall be deemed to have been offered to the A Ordinary Shareholders on terms that the Sale Shares shall be allocated to the A Ordinary Shareholders accepting the offer in proportion (as nearly as may be) to their existing holdings of A Ordinary Shares (the "**Proportionate Allocation**") However, in his application for Sale Shares an A Ordinary Shareholder may, if he so desires, indicate that he would be willing to purchase a particular number of A Ordinary Shares in excess of his Proportionate Allocation ("**Extra Shares**")
- 7.5 Upon the allocation of the Sale Shares, the Company shall allocate the Sale Shares as follows
- 7.5.1 if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares, each A Ordinary Shareholder shall be allocated the number applied for in accordance with his application, or
- 7.5.2 if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each A Ordinary Shareholder shall be allocated his Proportionate Allocation or such lesser number of Sale Shares for which he has applied and applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those A Ordinary Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the A Ordinary Shares held by such A Ordinary Shareholders
- 7.6 Allocations of Sale Shares made by the Company pursuant to this article 7 shall constitute the acceptance by the A Ordinary Shareholder(s) to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them, provided that no A Ordinary Shareholder shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase If the total number of Sale Shares applied for by the A Ordinary Shareholders is less than the available number of Sale Shares, the Company shall (subject to the requirements of the Act) be entitled to purchase such remaining Sale Shares on the same terms offered to the A Ordinary Shareholders

- 7 7 The Company shall forthwith upon allocating any Sale Shares give notice in writing (a "**Sale Notice**") to the Seller and to each A Ordinary Shareholder to whom Sale Shares have been so allocated of the number of Sale Shares so allocated and the aggregate price payable therefore. Subject to the Minimum Transfer Condition (if any) having been met, completion of the sale and purchase of the Sale Shares shall take place within five Business Days after the date of the Sale Notice (or if later in the case of an acquisition of Sale Shares by the Company by way of a purchase of own shares, five Business Days after the passing of all necessary resolutions of the members approving such purchase) whereupon the Seller shall, upon payment of the price due in respect thereof, transfer those Sale Shares to the A Ordinary Shareholder(s) (or the Company as the case may be) to whom they have been allocated and deliver the relevant share certificate.
- 7 8 Save in the case of an acquisition of Sale Shares by the Company by way of a purchase of own shares, if the Seller defaults in transferring any Sale Shares pursuant to article 7 7, the Company may receive such purchase money and may nominate some person to execute an instrument of transfer of such Sale Shares in the name and on behalf of the Seller and thereafter, when such instrument has been duly stamped, the Company shall cause the name of the proposed transferee to be entered in the register of members of the Company as the holder of such Sale Shares and shall hold the purchase money on trust (without interest) for the Seller. The receipt of the Company for the purchase money shall be a good discharge to the proposed transferee (who shall not be bound to see to the application thereof) and, after his name has been so entered in the register of members, the validity of the proceedings shall not be questioned by any person. In the case of an acquisition of Sale Shares by the Company, if the Seller defaults in transferring any Sale Shares pursuant to article 7 7, the Company shall, when such instrument evidencing the acquisition of the Sale Shares by the Company has been duly stamped, cause such share capital to be cancelled in accordance with the Act and shall hold the purchase money on trust (without interest) for the Seller.
- 7 9 If all the Sale Shares are not sold under the provisions contained in articles 7 1 to 7 8 (inclusive), the Company shall (forthwith upon the exhaustion of such provisions) so notify the Seller thereof. For the avoidance of doubt the Seller shall not be entitled to transfer any Sale Shares to any third party following the exhaustion of the provisions contained in articles 7 1 to 7 8 (inclusive).

## **8 EXIT EVENTS**

### **8 1 SALE OF BUSINESS AND ASSETS**

- 8 1 1 If the Disposal Consideration on a Sale of Business and Assets is less than or equal to the Adjusted Hurdle, any distribution made by the Company pursuant to the Sale shall only be made to the Ordinary Shareholders, A Ordinary Shareholders and B Ordinary Shareholders and shall be paid to such Shareholders pro rata to the number of Shares held by such Shareholders.

- 8 1 2 If the Disposal Consideration on a Sale of Business and Assets exceeds the Adjusted Hurdle, the Company shall, to the extent that it has distributable reserves available for such purpose, distribute
- (a) an amount equal to the Initial Hurdle, to the Ordinary Shareholders, A Ordinary Shareholders and B Ordinary Shareholders pro rata to the number of Shares held by such Shareholders, and
  - (b) any amount by which the Disposal Consideration exceeds the Initial Hurdle (the "**Excess**") to the Shareholders in the following amounts
    - (i) to the Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to the proportion of the issued Shares represented by the issued Ordinary Shares, such amount to be paid to the Ordinary Shareholders pro rata to the number of Ordinary Shares held by each Ordinary Shareholder,
    - (ii) to the A Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to two per cent less than the proportion of the issued Shares represented by the issued A Ordinary Shares, such amount to be paid to the A Ordinary Shareholders pro rata to the number of A Ordinary Shares held by each A Ordinary Shareholder,
    - (iii) to the B Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to one per cent less than the proportion of the issued Shares represented by the issued B Ordinary Shares, such amount to be paid to the B Ordinary Shareholders pro rata to the number of B Ordinary Shares held by each B Ordinary Shareholder, and
    - (iv) to the C Ordinary Shareholders an amount equal to three per cent of the Excess
- 8 1 3 Where any of the Disposal Consideration is deferred or contingent (the "**Deferred Consideration**"), and the amount of the Deferred Consideration that actually becomes payable (if any) when taken together with any Disposal Consideration already distributed pursuant to article 8 1 1 and article 8 1 2 exceeds the Adjusted Hurdle, any amount by which the aggregate thereof exceeds the Initial Hurdle shall be distributed in accordance with article 8 1 2
- 8 1 4 For the avoidance of doubt, the Shareholders shall only be entitled to any distribution referred to in article 8 1 2 above to the extent that the proceeds relating to the Disposal Consideration have actually been received by the Company and to

the extent that the Company has distributable reserves available for the purpose of such distribution

## 8.2 DISPOSAL OF A CONTROLLING INTEREST

8.2.1 In the event of a Disposal of a Controlling Interest, notwithstanding anything to the contrary in the terms and conditions governing such Disposal of a Controlling Interest, the Disposal Consideration shall be apportioned between the Shareholders as follows

- (a) if the Disposal Consideration is less than or equal to the Adjusted Hurdle, the Disposal Consideration shall be apportioned between the Ordinary Shareholders, A Ordinary Shareholders and B Ordinary Shareholders pro rata to the number of Shares sold by each of them, and
- (b) if the Disposal Consideration exceeds the Adjusted Hurdle,
  - (i) an amount equal to the Initial Hurdle, to the Ordinary Shareholders, A Ordinary Shareholders and B Ordinary Shareholders pro rata to the number of Shares sold by such Shareholders,
  - (ii) any amount by which the Disposal Consideration exceeds the Initial Hurdle (the "**Excess**") to the Shareholders in the following amounts
    - (1) to the Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to the proportion of the issued Shares represented by the issued Ordinary Shares, such amount to be paid to the Ordinary Shareholders pro rata to the number of Ordinary Shares sold by each Ordinary Shareholder;
    - (2) to the A Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to two per cent less than the proportion of the issued Shares represented by the issued A Ordinary Shares, such amount to be paid to the A Ordinary Shareholders pro rata to the number of A Ordinary Shares sold by each A Ordinary Shareholder,
    - (3) to the B Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to one per cent less than the proportion of the issued Shares represented by the issued B Ordinary Shares, such



amount to be paid to the B Ordinary Shareholders pro rata to the number of B Ordinary Shares sold by each B Ordinary Shareholder, and

- (4) to the C Ordinary Shareholders an amount equal to three per cent of the Excess

8 2 2 Where the Controlling Interest disposed of does not confer all the voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue, for the purposes of article 8 2 1(b) above, the Initial Hurdle and the Adjusted Hurdle will each be adjusted downwards so as to represent such proportion of the Initial Hurdle and the Adjusted Hurdle respectively as is equal to the proportion of voting rights conferred by the Controlling Interest disposed of

8 2 3 If any Disposal Consideration is comprised of Deferred Consideration and the amount of the Deferred Consideration that actually becomes payable (if any) when taken together with any Disposal Consideration already paid to the Shareholders pursuant to article 8 2 1 exceeds the Adjusted Hurdle, any amount by which the aggregate thereof exceeds the Initial Hurdle shall be apportioned in accordance with article 8 2 1(b)

### 8 3 LISTING

8 3 1 In the event that a Listing is to take place, immediately prior to such Listing (save to the extent the Shareholders agree otherwise)

- (a) if the Equity Value is less than or equal to the Adjusted Hurdle at the relevant time any necessary steps, as shall be determined by the Board in its absolute discretion, shall be taken so as to ensure that
- (i) an amount of the Equity Value equal to the Initial Hurdle shall be attributed to the Ordinary Shares, A Ordinary Shares and B Ordinary Shares on a pro rata basis (as if the same constituted one class of share),
  - (ii) each C Ordinary Share shall be converted into one Deferred Share, the holders of which Deferred Shares shall
    - (1) have no entitlement to receive notice of, attend at or vote at general meetings of the Company,
    - (2) have no entitlement to any dividends (interim or final) distributed by the Company, and
    - (3) have no entitlement to any return of capital by the Company to its members and in the event of any assets being available for distribution on a winding up

of the Company, they shall only be entitled to a distribution of such assets after the amount of £1,000 has been paid on each of the Ordinary Shares, A Ordinary Shares and B Ordinary Shares, and

- (b) if the Equity Value exceeds the Adjusted Hurdle (the "**Excess**") any necessary steps, as shall be determined by the Board in its absolute discretion, shall be taken so as to ensure that
  - (i) an amount of the Equity Value equal to the Initial Hurdle shall be attributed to the Ordinary Shares, A Ordinary Shares and B Ordinary Shares on a pro rata basis (as if the same constituted one class of share),
  - (ii) an amount of the Equity Value equal to the Excess shall be apportioned to the Ordinary Shares, A Ordinary Shares, B Ordinary Shares and C Ordinary Shares as follows
    - (1) to the Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to the proportion of the issued Shares represented by the issued Ordinary Shares, such amount to be apportioned to the Ordinary Shareholders pro rata to the number of Ordinary Shares held by each Ordinary Shareholder,
    - (2) to the A Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to two per cent less than the proportion of the issued Shares represented by the issued A Ordinary Shares, such amount to be apportioned to the A Ordinary Shareholders pro rata to the number of A Ordinary Shares held by each A Ordinary Shareholder,
    - (3) to the B Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to one per cent less than the proportion of the issued Shares represented by the issued B Ordinary Shares, such amount to be apportioned to the B Ordinary Shareholders pro rata to the number of B Ordinary Shares held by each B Ordinary Shareholder, and
    - (4) to the C Ordinary Shareholders an amount equal to three per cent of the Excess

- 8 4 1 On a return of assets on the liquidation or winding-up of the Company, the following order of priority shall apply to payments to holders of Shares in the capital of the Company out of the Liquidation Surplus
- (a) if the Liquidation Surplus is less than or equal to the Adjusted Hurdle, the Liquidation Surplus shall be paid as follows
    - (i) to the A Ordinary Shareholders, who shall be entitled to the subscription price initially paid for each Share held by such Shareholder, and
    - (ii) to the Ordinary Shareholders, A Ordinary Shareholders and B Ordinary Shareholders pro rata to the number of Shares held by each of them, and
  - (b) if the Liquidation Surplus exceeds the Adjusted Hurdle (the "**Excess**"), the Excess shall be paid as follows
    - (i) to the A Ordinary Shareholders who shall be entitled to the subscription price initially paid for each Share held by such Shareholder,
    - (ii) to the Ordinary Shares an amount equal to such proportion of the Excess as is equal to the proportion of the issued Shares represented by the issued Ordinary Shares, such amount to be paid to the Ordinary Shareholders pro rata to the number of Ordinary Shares held by each Ordinary Shareholder,
    - (iii) to the A Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to two per cent less than the proportion of the issued Shares represented by the issued A Ordinary Shares, such amount to be paid to the A Ordinary Shares pro rata to the number of A Ordinary Shares held by each A Ordinary Shareholder,
    - (iv) to the B Ordinary Shareholders an amount equal to such proportion of the Excess as is equal to one per cent less than the proportion of the issued Shares represented by the issued B Ordinary Shares, such amount to be paid to the B Ordinary Shareholders pro rata to the number of B Ordinary Shares held by each B Ordinary Shareholder, and
    - (v) to the C Ordinary Shareholders an amount equal to three per cent of the Excess

8 4 2 If there shall be insufficient surplus assets to pay any amount referred to in article 8 4 1 in full, the amounts payable to each Shareholder shall be reduced on a pro rata basis

8 5 No resolution to amend the provisions of this article 8 so as to amend, vary or alter the rights attaching to the Ordinary Shares, A Ordinary Shares or B Ordinary Shares shall be effective unless the holders of not less than 75 per cent of each class of Shares so affected have voted in favour of such resolution (whether at a general meeting or by way of a written resolution)

## 9 **NON-CASH ASSETS**

9 1 Where on a return of assets on the liquidation or winding-up of the Company or on a Sale of Business and Assets, the Liquidation Surplus or the Disposal Consideration (as the case may be) includes assets other than cash (the "**Non-Cash Assets**") the directors shall, if the market value of the Non-Cash Assets has not been agreed by all persons entitled to the Liquidation Surplus or Disposal Consideration in question prior to the proposed date of the return of assets or distribution of Disposal Consideration, instruct the Auditors to determine the market value of the Non-Cash Assets as at the date of the return of assets or distribution of Disposal Consideration and the sum so agreed or determined and certified shall be that applicable for the purposes of determining the amount of the Liquidation Surplus or the amount of the Disposal Consideration (as the case may be) and the distributions and apportionments to be made in accordance with article 8.1 2 and 8 4 1 (as the case may be) The costs and expenses of the Auditors in acting pursuant to this article 9 shall be paid from the Liquidation Surplus or the Disposal Consideration (as the case may be) The Auditors shall act as experts and not as arbitrators and their determination shall be final and binding on all persons concerned.

9 2 No resolution to amend the provisions of this article 9 shall be effective unless the holders of not less than 75 per cent of each of the Ordinary Shares, A Ordinary Shares and B Ordinary Shares have voted in favour of such resolution (whether at a general meeting of each such class of Shares or by way of a written resolution of each such class of Shares)

## 10 **INITIAL HURDLE AND ADJUSTED HURDLE**

10 1 Not more than 15 Business Days prior to the date of an Exit Event (or such later date where it is not practicable for the Board to do so by such date), the Board shall determine the Initial Hurdle in accordance with this article 10

10 2 The Initial Hurdle shall be the sum of £78,000,000 adjusted as at the date of the Exit Event by

10 2 1 deducting from such amount the aggregate amount distributed or paid (as the case may be) by the Company to the Ordinary Shareholders, A Ordinary Shareholders and B Ordinary Shareholders by way of

(a) dividend,

- (b) return of capital, or
  - (c) consideration for the purchase of own shares by the Company, and
- 10 2 2 adding to such amount the aggregate amount paid to the Company by the Ordinary Shareholders, A Ordinary Shareholders and B Ordinary Shareholders in respect of any rights or capitalisation issue
- 10 3 The Adjusted Hurdle shall be, as at the date of the Exit Event, an amount equal to the Initial Hurdle increased at a rate of ten per cent per annum (compounded annually) and calculated on a daily basis
- 10 4 No resolution to amend the provisions of this article 10 so as to amend, vary or alter the rights attaching to the Ordinary Shares, A Ordinary Shares or B Ordinary Shares shall be effective unless the holders of not less than 75 per cent of each class of Shares so affected have voted in favour of such resolution (whether at a general meeting or by way of a written resolution)
- 11 **LEAVERS**
- 11 1 The provisions of this article 11 shall apply to any Leaver and to any such Leaver's Shares
- 11 2 The Board shall serve notice on any Leaver in writing or by e-mail (the "**Board Notice**") to require any Leaver to serve one or more Transfer Notices in respect of such number and class of Shares as are held by such Leaver following the occurrence of the event which gives rise to such Shareholder being treated as a Leaver (and, in the event of a failure to serve such Transfer Notice(s), the same shall be deemed to be given on the date specified in the Board Notice) The provisions of this article 11 shall apply in respect of any such Transfer Notice
- 11 3 The provisions of article 7 shall apply to any such Transfer Notice provided that for these purposes
  - 11 3 1 the Sale Shares shall comprise the Shares held by the Leaver specified by the Board Notice,
  - 11 3 2 the Sale Price shall be an amount equal to the aggregate market value of the Shares (or, in the case of a sale of C Ordinary Shares only, the aggregate nominal value of the Shares) held by the Leaver specified by the Board Notice, and
  - 11 3 3 there shall be no Minimum Transfer Condition
- 11 4 No resolution proposed to amend the provisions of this article 11 shall be effective unless each A Ordinary Shareholder, B Ordinary Shareholder and Ordinary Shareholder has voted in favour of such resolution (whether at a general meeting or by way of a written resolution)
- 11 5 For the purposes of article 11 3 2 the market value of the relevant Shares shall be such price as shall be agreed between the A Ordinary Shareholder and the Leaver or, failing agreement within ten Business Days of the date of the Board Notice, such price as the

Auditors shall determine The costs and expenses of the Auditors in acting pursuant to this article 11 5 shall be paid as determined by the Auditors The Auditors shall act as experts and not as arbitrators and their determination shall be fixed and binding on all persons concerned

- 11 6 If the Sale Shares are B Ordinary Shares and are purchased by an A Ordinary Shareholder and, within six months of the date of transfer of the Sale Shares, that A Ordinary Shareholder transfers all of the Shares registered in his name in connection with a Disposal of a Controlling Interest then, in the event of the Leaver becoming a Leaver for any reason not connected with their misconduct, the Sale Price shall be adjusted (the "**Adjustment**") to ensure that it is an amount equal to the aggregate price per share due to the A Ordinary Shareholder for the Sale Shares pursuant to such Disposal of a Controlling Interest An amount equal to the Adjustment shall be paid to the Leaver by the A Ordinary Shareholder within 20 Business Days of the Disposal of a Controlling Interest as an adjustment to the Sale Price payable pursuant to article 11 3 2

12 **DRAG ALONG RIGHTS**

- 12 1 If any of the A Ordinary Shareholders wish to accept a Qualifying Offer (the "**Accepting Shareholders**"), then the provisions of this article 12 shall apply and no transfer of shares by the Accepting Shareholders to the Offeror shall be made or registered unless the Accepting Shareholders have complied with the provisions of this article 12
- 12 2 The Accepting Shareholders may, in their absolute discretion, give written notice to the remaining Shareholders (the "**Remaining Shareholders**") requiring the Remaining Shareholders to transfer their Shares or, in the case of a Qualifying Offer for less than the entire issued A Ordinary Shares, such proportion of their Shares as is equivalent to the proportion of the A Ordinary Shares in respect of which the Qualifying Offer has been made (including any Shares issuable on the exercise of options on the occurrence of a disposal) to the Offeror (or his nominee) on the same terms and conditions per share as offered to the Accepting Shareholders with full title guarantee on the date specified by the Accepting Shareholders
- 12 3 Upon receipt of such notice the Remaining Shareholders shall be obliged to transfer their Shares on the same terms and conditions per share as offered to the Accepting Shareholders The Remaining Shareholders shall include the holders of any options under any Company share option scheme from time to time
- 12 4 If any Remaining Shareholder shall not, within five Business Days of being required to do so (or in the case of any optionholder immediately on the issue of shares in the Company on the exercise of their option), execute and deliver transfers in respect of the shares in the Company held by him (or to be issued or transferred to him on the exercise of options) and, where applicable, deliver the certificate(s) in respect of the same (or an indemnity in a form reasonably satisfactory to the offeror in lieu thereof), then the Accepting Shareholders shall be entitled to, and shall be entitled to authorise and instruct such person as they think fit to,

execute the necessary transfer(s) and indemnity on each Remaining Shareholder's behalf on the same terms and conditions per share as offered to the Accepting Shareholders and, against receipt by the Company (on trust for such Remaining Shareholder) of the consideration payable for the relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person

**13 GENERAL MEETINGS**

- 13 1 Every notice convening a general meeting shall comply with the provisions of the Act as to giving information to members in regard to their right to appoint proxies
- 13 2 If and for so long as the Company has only one member and that member takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in general meeting, subject as provided in article 13 4 below
- 13 3 Any decision taken by a sole member pursuant to article 13 2 above shall be recorded in writing and delivered by that member to the Company for entry in the Company's minute book
- 13 4 Resolutions under section 168 of the Act for the removal of a director before the expiration of his period of office and under section 510 of the Act for the removal of an auditor before the expiration of his period of office shall only be considered and passed by the Company in general meeting
- 13 5 An instrument of proxy is deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and to speak at the meeting and to vote (whether on a show of hands or on a poll) on any resolution or amendment of a resolution put to, or other business which may properly come before, the meeting or meetings for which it is given, as the proxy thinks fit
- 13 6 Where the same person is appointed proxy for more than one member he shall on a show of hands have as many votes as the number of members for whom he is proxy in addition to his own vote (if any) as a member
- 13 7 Subject to section 327 of the Act, the instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may be deposited at the place specified in the notice of meeting up to the commencement of the meeting or (in any case where a poll is taken otherwise than at the meeting) of the taking of the poll or may be handed to the chairman of the meeting prior to the commencement of the business of the meeting A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting Article 44(2) of the Model Articles shall not apply to these articles

13 8 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article

14 **DIRECTORS**

14 1 The maximum number and minimum number respectively of the directors may be determined from time to time by ordinary resolution. Subject to and in default of any such determination there shall be no maximum number of directors and the minimum number of directors shall be one. Whenever the minimum number of directors is one, a sole director shall have authority to exercise all the powers and discretions expressed to be vested in the directors generally by the Model Articles and by these articles in accordance with article 7(2) of the Model Articles, and article 11 of the Model Articles shall be modified accordingly

14 2 No person shall be appointed a director at any general meeting unless either

14 2 1 he is recommended by the directors with A Ordinary Shareholder Consent, or

14 2 2 not less than 14 nor more than 35 clear days before the date appointed for the general meeting, notice signed by a member qualified to vote at the general meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed

14 3 Subject to article 14 2, the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director

14 4 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 determined in accordance with article 14 1 above as the maximum number of directors and for the time being in force

14 5 Notwithstanding any other provision of these articles, a majority in number of the members having a right to attend and vote at a general meeting may, by memorandum in writing signed by or on behalf of them and delivered to the Company's registered office or tendered at a meeting of the directors or at a general meeting of the Company, at any time and from time to time appoint any person to be a director (either to fill a vacancy or as an additional director) or remove any director from office (no matter how such director was appointed)

14 6 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last member to have died or to have a bankruptcy order made against him (as the case may be) has the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director



15      **ALTERNATE DIRECTORS**

The provisions contained in Articles 25 to 27 inclusive of the PLC Model Articles shall apply to the Company save that the words "except that an alternate's appointment as an alternate does not terminate when the appointor retires by rotation at a general meeting and is then re-appointed as a director at the same general meeting" be deleted from article 27 thereof

16      **DIRECTORS' POWERS**

The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party

17      **DIRECTORS' INTERESTS**

17 1      Subject to article 17 2, a director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution his vote shall be counted and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum participating at the meeting

17 2      Each director shall comply with his obligations to disclose the nature and extent of his interests in proposed and existing transactions and arrangements with the Company under sections 177 and 182 of the Act. A director shall not be required to disclose the nature and extent of his interests in proposed transactions and arrangements with the Company under this article 17 2 where the interest or potential interest has arisen by reason of that director also acting as a director of any group undertaking (as defined in section 1161(5) of the Act)

17 3      Article 14 of the Model Articles shall not apply to the Company

17 4      The directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise

17 4 1      any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest, and

17 4 2      a director to accept or continue in any office, employment or position in addition to his office as a director of the Company and, without prejudice to the generality of article 17 4 1, may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,

provided that, for this purpose, the director in question and any other interested directors are not counted in the quorum at any board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted

17 5 For the purposes of this article 17 an interest includes both direct and indirect interests

17 6 A director shall not be regarded as in breach of the duty set out in section 175 of the Act in relation to conflicts of interest or potential conflicts of interest which arise by reason of that director also acting as a director of any group undertaking (as defined in section 1161(5) of the Act)

17 7 Where a matter, or office, employment or position, has been authorised by the directors subject to terms and conditions under article 17 4, the director in question must act in accordance with those terms and conditions

17 8 If a matter, or office, employment or position, has been authorised by the directors in accordance with this article 17 then

17 8 1 the director in question shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company or to use such information in relation to the Company's affairs if to make such a disclosure or use would result in a breach of duty or obligation or confidence owed by him to another person in relation to or in connection with that matter, or that office, employment or position,

17 8 2 the director in question may absent himself from meetings of the directors at which anything relating to that matter, or that office, employment or position, will or may be discussed, and

17 8 3 the director in question may make such arrangements as such director thinks fit for board and committee papers of the Company to be received and read by a professional adviser on behalf of that director

17 9 The general duties which a director owes to the Company pursuant to sections 171 to 177 (inclusive) of the Act will not be infringed by anything done (or omitted to be done) by a director in accordance with the provisions of this article 17 or any terms or conditions imposed pursuant to article 17 4

17 10 A director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the directors pursuant to this article 17 (subject to any limits or conditions to which such approval was subject), nor shall the receipt of such benefit constitute a breach of his duty under section 176 of the Act, and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit

18       **PROCEEDINGS OF DIRECTORS**

18 1       A decision of the directors may be taken when all eligible directors take a decision together in the form of a directors' written resolution. A resolution in writing of the directors is effective where each eligible director has signed one or more copies of it or to which each eligible director has otherwise indicated agreement in writing.

18 2       References in article 18 1 to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a meeting of the directors.

18 3       A director or his alternate may participate in a meeting of the directors or a committee thereof through the medium of conference telephone or similar form of communication equipment, including electronic means if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is, subject to article 17, counted in a quorum and entitled to vote at the meeting.

18 4       A meeting at which one or more of the directors attends in the manner referred to in article 18 3 is deemed to be held at such place as the directors shall at the said meeting resolve. In the absence of such a resolution, the meeting shall be deemed to be held at the place, if any, where a majority of the directors attending the meeting are physically present, or in default of such a majority, the place at which the chairman of the meeting is physically present.

18 5       Articles 8 and 10 of the Model Articles shall not apply.

19       **THE SECRETARY**

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

20       **THE SEAL**

20 1       If the Company has a seal it shall only be used with the authority of the directors or of a committee of directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by (i) the secretary, (ii) a second director or (iii) a witness in whose presence a director signs and who attests the signature. The obligation under article 24 of the Model Articles relating to the sealing of share certificates shall apply only if the Company has a seal. Article 49 of the Model Articles shall not apply to the Company.

20 2       The Company may exercise the powers conferred by section 49 of the Act with regard to having an official seal for use abroad. Such powers shall be vested in the directors.

21        **NOTICES**

21 1        Any documents or information to be sent or supplied to the Company pursuant to the Act, these articles or otherwise, must be sent or supplied in accordance with the provisions of sections 1143 to 1148 and Schedule 4 of the Act

21 2        Any documents or information to be sent or supplied by the Company pursuant to the Act, these articles or otherwise, must be sent or supplied in accordance with the provisions of sections 1143 to 1148 and Schedule 5 of the Act

21 3        Article 48 of the Model Articles shall be modified accordingly

22        **INDEMNITY OF OFFICERS AND FUNDING DIRECTORS' DEFENCE COSTS**

22 1        For the purposes of this article 22 a "liability" is any loss or liability incurred by a person in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or otherwise in connection with his duties, powers or office in relation to the Company

22 2        To the extent permitted by the Act, and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a director or other officer of the Company (other than any person (whether or not an officer of the Company) engaged by the Company as auditor) shall be, and shall be, kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise) in relation to the Company or its affairs provided that such indemnity shall not apply in respect of any liability incurred by him

22 2 1       to the Company or to any Associated Company,

22 2 2       to pay a fine imposed in criminal proceedings,

22 2 3       to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising),

22 2 4       in defending any criminal proceedings,

22 2 5       in defending any civil proceedings brought by the Company, or an Associated Company, in which judgment is given against him,

22 2 6       in connection with any application under any of the following provisions in which the court refuses to grant him relief, namely

(a)        section 661(3) or (4) of the Act (acquisition of shares by nominee),

(b)        section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct)

22 3        To the extent permitted by the Act, and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a director or officer of the Company acting as a trustee of an occupational pension scheme shall be and shall be kept indemnified out

of the assets of the Company against all costs, charges, losses and liabilities incurred by him in connection the Company's activities as trustee of the scheme provided that such indemnity shall not apply in respect of any liability incurred by him

22 3 1 to pay a fine imposed in criminal proceedings,

22 3 2 to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising), or

22 3 3 in defending criminal proceedings

22 4 Without prejudice to article 22 2, or to any indemnity to which a director may otherwise be entitled, and to the extent permitted by the Act and otherwise upon such terms and subject to such conditions as the board may in its absolute discretion think fit, the directors shall have the power to make arrangements to provide a director or other officer with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with an application under section 661(3) or (4) of the Act (acquisition of shares by nominee) or section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct) or in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority or to enable a director to avoid incurring any such expenditure, so long as if it is done under the terms as provided under section 205 of the Act

22 5 Subject to the provisions of the Act, and without prejudice to any protection from liability which may otherwise apply, the directors shall have power to purchase and maintain for any director or other officer of the Company, or of an Associated Company, insurance against any liability as is mentioned in this article 22

22 6 This article 22 shall only have effect in so far as its provisions are not avoided by section 232 of the Act

22 7 Articles 52 and 53 in the Model Articles shall not apply to the Company

## 23 **CHANGE OF NAME**

Subject to the provisions of article 18 the name of the Company may be changed by the passing of a resolution of the directors