

PRIVATE COMPANY LIMITED BY SHARES

COPY RESOLUTION

of

WEST COAST CAPITAL (USC) LIMITED (the "Company")

(Registered number 04380754)

Dated 8 July 2011

The following resolutions were passed, resolution 1 being passed as a special resolution and resolution 2 being passed as an ordinary resolution, by the requisite majority of eligible members in accordance with Chapter 2 of Part 13 of the Companies Act 2006 (the "Act")

**Special Resolution**

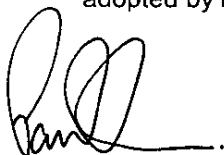
**1 Adoption of the New Articles**

That the regulations contained in the document submitted to this meeting and for the purposes of identification signed by the Chairman be and are hereby approved and adopted as the new articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company

**Ordinary Resolution**

**2 Re-designation of Shares**

That, subject to the passing of resolution 1, 7,432,121 of the 9,290,151 issued ordinary shares of £1 00 in the share capital of the Company (the "Existing Shares") be re-designated as 7,432,121 A ordinary shares of £1 00 each in the capital of the Company and 1,858,030 of the 9,290,151 Existing Shares be re-designated as 1,858,030 B ordinary shares of £1 00 each in the capital of the Company, each having the rights and privileges and being subject to the restrictions contained in the Articles of Association of the Company adopted by resolution 1 above



Director/Company Secretary





PRIVATE COMPANY LIMITED BY SHARES

Articles of Association  
of  
WEST COAST CAPITAL (USC) LIMITED

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## **COMPANY LIMITED BY SHARES**

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### **ARTICLES OF ASSOCIATION OF**

### **WEST COAST CAPITAL (USC) LIMITED (Company Number 04380754) (the "Company")**

#### **1 MODEL ARTICLES**

- 1 1 The Model Articles apply to the Company except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles and, subject to any such modifications, exclusions or inconsistencies will, together with these Articles, constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 1 2 Notwithstanding the generality of article 1 1, Articles 7 to 15 (inclusive), 17, 18, 23, 26 to 28 (inclusive), 37 to 39 (inclusive), 45, 46 and 48 of the Model Articles do not apply to the Company

#### **2 INTERPRETATION**

- 2 1 In these Articles, unless the context requires otherwise

"A Director" means a Director of the Company appointed by the Holders of A Shares in accordance with Article 18,

"A Shares" means A ordinary shares of £1 00 in the capital of the Company,

"Act" means the Companies Act 2006,

"Acceptance" has the meaning given to it in article 21,

"Acting in Concert" has the meaning given to it in article 28,

"Additional Acceptance" has the meaning given to it in article 21,

"Alternate" or "Alternate Director" has the meaning given to it in article 9,

"Appointor" has the meaning given to it in article 9,

**"Articles"** means these Articles of Association of the Company,

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

**"B Director"** means a Director of the Company appointed by the Holders of the B Shares in accordance with Article 18,

**"B Shares"** means B ordinary shares of £1 00 in the capital of the Company,

**"Board"** means the board of Directors,

**"Bankruptcy"** includes individual insolvency proceedings in a jurisdiction other than England and Wales, Scotland or Northern Ireland which have an effect similar to that of bankruptcy,

**"Capital Balance"** as the meaning given to it in article 4 3 2,

**"Chairman"** has the meaning given to it in article 12,

**"Change of Control"** means the acquisition whether by purchase, transfer, renunciation or otherwise) by any person (who is not at the date of adoption of these Articles a Shareholder of the Company in question) of any interest in the equity share capital of the Company if, upon completion of that acquisition, the acquiror, together with persons acting in concert or connected with him within the meaning of Section 1122 of the Corporation Tax Act 2010 or section 993 of the Income Tax Act 2007 (save that there shall be deemed to be control for that purpose whenever either Section 450 or Section 1124 of the Corporation Tax Act 2010 or section 995 of the Income Tax Act 2007 would so require), would hold more than 50 per cent in nominal value of any class of such equity share capital of the Company,

**"Companies Acts"** means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company,

**"Control"** means, in relation to a body corporate, the power of a person to secure that its affairs are conducted in accordance with the wishes of that person -

- (a) by means of the holding of shares or the possession of voting power in or in relation to that or any other body corporate, or
- (b) by virtue of any powers conferred by the articles of association or any other document regulating that or any other body corporate,

and, in relation to a partnership, means the right to a share of more than one-half the assets, or of more than one-half of the income, of the partnership,

**"Deemed Transfer Notice"** has the meaning given to it in article 28,

**"Director"** means a director of the Company, including A Directors and B Directors, and includes any person occupying the position of director, by whatever name called,

**"Employee Trust"** has the meaning given to it in article 25,

**"Equity Share Capital"** shall be defined in accordance with section 548 of the Act and **"Equity Shares"** shall be construed accordingly,

**"Family Member"** has the meaning given to it in article 25,

**"Family Trust"** has the meaning given to it in article 25,

**"Fully Paid"** in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company,

**"Group"** means the Company, any subsidiary of the Company, any holding company of the Company and any subsidiary of such holding company,

**"Holder"** in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares,

**"Interested Directors"** has the meaning given to it in article 14,

**"Issue Price"** means the amount paid up or credited as paid up (including any premium on issue) on the Share or Shares concerned,

**"Market Value"** has the meaning given to it in article 27,

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

**"Offer Notice"** has the meaning given to it in article 27,

**"Offered Shares"** has the meaning given to it in article 21,

**"Permitted Transfer"** has the meaning given to it in article 25,

**"Pre-emption Offer"** has the meaning given to it in article 21,

**"Proceeds of Sale"** has the meaning given to it in article 27,

**"Profits"** has the meaning given to it in article 4 1,

**"Proxy Notice"** has the meaning given to it in article 40,

**"Proxy Notification Address"** has the meaning given to it in article 41,

**"Purchaser"** has the meaning given to it in article 27,

**"Relevant Company"** has the meaning given to it in article 14,

**"Relevant Shareholder"** has the meaning given to it in article 28,

**"Return of Capital"** means a return of capital to the Shareholders whether on a Sale, liquidation, capital reduction, buy back, redemption or otherwise,

**"Sale"** means the sale (save pursuant to any Permitted Transfers) of at least ninety per cent of the Shares,

**"Sale Notice"** has the meaning given to it in article 27

**"Sale Price"** has the meaning given to it in article 27;

**"Sale Shares"** has the meaning given to it in article 27,

**"Sale Value"** means the aggregate value of all cash and non-cash consideration (including the value of any deferred or contingent consideration) (as certified by the Auditors, if so required) in relation to a Sale,

**"SD"** means Sportsdirect com Retail Limited (company number 03406347);

**"SD Facility"** means the overdraft facility sufficient for working capital and expansion not to exceed £20,000,000 to be made available to the Company and Cruise Clothing Limited (company number SC382991) by SD,

**"SD Group"** means SD, any subsidiary of SD, any holding company of SD, any subsidiary of such holding company,

**"Shareholders"** means the Holders of the Shares together and **"Shareholder"** means a person who is the Holder of a Share of whatever class;

**"Shares"** means the B Shares and the A Shares together and **"Share"** means a share in the



capital of the Company of whatever class;

**"Specified Price"** has the meaning given to it in article 27,

**"Surplus Shares"** has the meaning given to it in article 21,

**"TBH Entity"** means

- (a) a TBH Partnership,
- (b) any company Control over which is at the relevant time exercised by Sir Thomas Blane Hunter or a TBH Partnership,
- (c) any trust of which Sir Thomas Blane Hunter is a trustee, or the settlor, or the beneficiary, or
- (d) any Family Member of Sir Thomas Blane Hunter,

**"TBH Partnership"** means any partnership in which Sir Thomas Blane Hunter owns not less than 75 per cent of the economic and voting interest;

**"Third Party Purchaser"** means any person not being a Shareholder of the Company as at the date of the adoption of these Articles,

**"Total Transfer Condition"** has the meaning given to it in article 27,

**"Transfer Event"** has the meaning given to it in article 28,

**"Transfer Notice"** has the meaning given to it in article 27,

**"Transferor"** has the meaning given to it in article 27,

**"Transmittee"** means a person entitled to a Share as a result of the death or bankruptcy of a Shareholder or otherwise by operation of law,

**"Valuers"** means the Auditors of the Company unless

- (i) a report on the market value is to be made pursuant to a deemed Transfer Notice and, within 21 days after the date of the deemed Transfer Notice, the transferor notifies the Directors in writing that it objects to the Auditors making that report, or
- (ii) the Auditors give notice to the Company that they decline an instruction to report on market value,

when the valuers shall be a firm of chartered accountants agreed between the Transferor and the Directors or, in default of agreement within 20 working days after the event referred to in (i) or (ii) above, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Transferor or the Directors, and

**"West Coast Capital"** means the partnership of West Coast Capital whose principle place of business is at Marathon House, Olympic Business Park, Drybridge Road, Dundonald, Ayrshire, KA2 9AE

- 2 2 References in these Articles to a document includes, unless otherwise specified, any document sent or supplied in electronic form
- 2 3 References in these Articles to **"writing"** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise
- 2 4 References in these Articles to Shares being **"paid"** means those Shares being paid or credited as paid
- 2 5 Unless the context otherwise requires
- (i) words importing the singular include the plural and vice versa,
- (ii) words importing any gender include all other genders, and
- (iii) words importing natural persons include corporations
- 2 6 Words or expressions contained in these Articles which are defined in the Act have the same meaning as in the Act in force on the date of adoption of these Articles including the following words which are defined in the following sections of the Act

<b>Word(s)/expression</b>	<b>Section Number in Act</b>
electronic form	section 1168
equity share capital	section 548
hard copy form	section 1168
ordinary resolution	section 282
special resolution	section 283
subsidiary	section 1159
subsidiary undertaking	section 1162
working day	section 1173

2 7 A reference to an article by number is to the relevant article of these Articles

2 8 Headings used in these Articles shall not affect their construction or interpretation

2 9 References to any statute or section of a statute shall include reference to any statutory amendment, extension, modification or re-enactment of such statute or section of a statute for the time being in force

### 3 **LIMITATION OF LIABILITY OF SHAREHOLDERS**

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them

### 4 **INCOME, CAPITAL AND VOTING· SPECIAL RIGHTS AND RESTRICTIONS**

#### 4 1 **Income**

Any dividends or profits which the Company determines to distribute in respect of any financial year shall be applied in distributing the balance of such dividends or profits (the "Profits") to the Shareholders as follows

- (i) the Holders of A Shares shall be entitled to an amount in £ STERLING equal to 80% of the Profits, which shall be divided amongst the Holders of A Shares *pro rata* to the number of A Shares held by them, and
- (ii) the Holders of B Shares shall be entitled to an amount in £ STERLING equal to 20% of the Profits, which shall be divided amongst the Holders of B Shares *pro rata* to the number of B Shares held by them

4 2 If any Share is issued on terms providing that it ranks for dividend as from a particular date that Share ranks for Profits accordingly

#### 4 3 **Capital**

4 3 1 Prior to a Return of Capital all sums outstanding on any Shares must be paid in full

4 3 2 On a Return of Capital the surplus assets of the Company or the proceeds from a Sale (as the case may be) remaining after the payment of its liabilities shall be applied

- (a) firstly in paying to each Shareholder any dividends on each Share held by them which have been declared but are unpaid,

- (b) secondly, in paying to each Shareholder an amount equal to the amount paid up on each Share held by them, and
- (c) thereafter in distributing the balance (the "**Capital Balance**") to the Shareholders as follows
  - (i) the Holders of A Shares shall be entitled to an amount in £ STERLING equal to 80% of the Capital Balance, which shall be divided amongst the Holders of A Shares *pro rata* to the number of A Shares held by them, and
  - (ii) the Holders of B Shares shall be entitled to an amount in £ STERLING equal to 20% of the Capital Balance, which shall be divided amongst the Holders of B Shares *pro rata* to the number of B Shares held by them

#### 4 4 **Voting**

Each Holder of Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and a Holder of A Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy shall, on a show of hands, have eighty votes and a Holder of B Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy shall have twenty votes, and, on a poll, each Holder of Shares shall have one vote for each Share of which he is the Holder

#### 5 **PROCEEDINGS OF DIRECTORS**

- 5 1 Subject to article 18 7, the general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with these Articles

#### 6 **DELIBERATELY BLANK**

#### 7 **MINORITY PROTECTIONS**

- 7 1 So far as it lawfully may, the Company shall not, unless prior written consent of a majority of the Holders of B Shares has been received, carry out any of the following actions or matters

- (a) amend these Articles,
- (b) enter into any transactions other than on arm's length terms,
- (c) enter into any arrangement, contract or transaction with any member of the SD group other than on arm's length terms (except where doing so would not be prejudicial to the Company),

- (d) make any material change in the nature of the business carried out by the Company as at the date of adoption of these Articles,
- (e) intentionally divert any trade, business, property, goodwill, employees, contracts or connections from the Company into any other company within in the SD group or otherwise connected with SD, or enter into any arrangement, assignment, lease, contract, agreement or transaction to do the same where doing so would be prejudicial to the interests of the Company, or
- (f) issue any B Shares,
- (g) permit the registration (upon subscription or transfer) of any person as a member of the Company holding B Shares other than any permitted transferees in terms of these Articles, or
- (h) grant any option or other interest (in the form of convertible securities or in any other form) over or in B Shares, redeem or purchase any B Shares or reduce its share capital or effect any other reorganisation of its share capital in any way that may affect the rights attaching to the B Shares

7 2 The Company shall procure that SD shall make available and shall continue to make available the SD Facility for a period of five years from the date of the adoption of these Articles

## 8 CALLING A DIRECTORS' MEETING

8 1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice

8 2 Notice of any Directors' meeting must indicate

- (a) its proposed date and time,
- (b) where it is to take place,
- (c) the proposed business of the meeting, and
- (d) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

8 3 At least seven days' notice of a Directors' meeting must be given to each Director (or such shorter period as may be proposed by the A Director), but the notice need not be in writing

- 8 4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## 9 ALTERNATE DIRECTORS

- 9 1 Any Director (the "**Appointor**") may appoint as an alternate any other Director, or another person approved by resolution of the Directors to

- (a) exercise that Director's powers, and
- (b) carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor (the "**Alternate**" or "**Alternate Director**"), provided that a B Director shall only appoint Sir Thomas Blane Hunter, Paul Richmond Davidson or William Livingston as his Alternate Director.

- 9 2 Any appointment or removal of an Alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

- 9 3 The notice must

- (a) identify the proposed Alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed Alternate that the proposed Alternate is willing to act as the Alternate of the Director giving the notice.

- 9 4 An Alternate Director may act as Alternate Director to more than one Director and has the same rights, in relation to any decision of the director's as the Alternate's Appointor.

- 9 5 Alternate Directors

- (a) are deemed for all purposes to be Directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their Appointors, and
- (d) are not deemed to be agents of or for their Appointors,

and in particular, (but without limitation) each Alternate Director is entitled to receive notice of all meetings of directors and all meetings of committees of Directors of which his Appointor is a member

- 9 6 A person who is an Alternate Director but not a Director may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating)

No Alternate may be counted as more than one Director for such purposes

- 9 7 An Alternate Director is not entitled to receive any remuneration from the Company for serving as an Alternate Director except such part of the Alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company

- 9 8 An Alternate Director's appointment as an alternate terminates

- (a) when the Alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the Alternate's Appointor, would result in the termination of the Appointor's appointment as a Director,
- (c) on the death of the Alternate's Appointor, or
- (d) when the Alternate's Appointor's appointment as a Director terminates

- 9 9 A Director who is also an Alternate Director has an additional vote on behalf of each Appointor who is

- (a) not participating in a Directors' meeting, and
- (b) would have been entitled to vote if they were participating in it,

but shall not count as more than one Director for the purposes of determining whether a quorum is present

## 10 PARTICIPATION IN DIRECTORS' MEETINGS

- 10 1 Directors participate in a Directors' meeting, or part of a Directors' meeting, when

- (a) the meeting has been called and takes place in accordance with these Articles, and

- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting

10 2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other

10 3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

## 11 **QUORUM FOR DIRECTORS' MEETINGS**

11 1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

11 2 The quorum for Directors' meetings may be fixed from time to time by an ordinary resolution and subject to Article 11 3 it must never be less than three, but must always include at least one A Director

11 3 If a quorum is not present within half an hour from the time appointed for a Directors' meeting the Directors' meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors present may determine, and if at the adjourned Directors' meeting a quorum is not present within half an hour from the time appointed therefor such adjourned Directors' meeting shall proceed so long as at least one A Director is present

11 4 A person holding office as an Alternate Director shall only be counted in the quorum if his Appointor is not present

## 12 **CHAIRING OF DIRECTORS' MEETINGS**

12 1 The Directors may appoint a Director to chair their meetings

12 2 The person so appointed for the time being is known as the Chairman

12 3 The Directors may terminate the Chairman's appointment at any time

12 4 If the Chairman is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it

## 13 **CHAIRMAN'S CASTING VOTE**

If the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting shall not have a casting vote



## 14 CONFLICTS OF INTEREST

- 14 1 Subject to article 14 4, the Directors may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, result in a Director infringing his duty under section 175 of the Act 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
- 14 2 Any authorisation of a matter under this article 14 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised
- 14 3 A reference in these Articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties
- 14 4 Any authorisation given pursuant to this article 14
- (a) will only be effective if
    - (i) the Director in question provides the other Directors with details of the matter in respect of which authorisation is being sought (including the nature and extent of his interest in such matter) or in such other manner as the other Directors may from time to time direct,
    - (ii) (save in respect of the A Director) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question and any other interested Director (the "**Interested Directors**"), and
    - (iii) the matter was agreed to without any Interested Director voting or would have been agreed to if the votes of any Interested Director had not been counted,
  - (b) may be given subject to any limits or conditions (including as to duration) as the Directors may expressly impose from time to time, and
  - (c) may be varied or terminated by the Directors at any time (but this will not affect anything done by the Relevant Director prior to such variation or termination in accordance with the terms of such authority)
- 14 5 The provisions of this article 14 do not apply to any conflict of interest arising in relation to a transaction or arrangement with the Company

14 6 In relation to any matter authorised by the Directors in accordance with the provisions of this article 14, the Relevant Director may (for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists)

- (a) absent himself from any meeting of the Directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise,
- (b) abstain from voting at any meeting of the Directors on any resolution relating to any matter that gives rise to the conflict of interest or possible conflict of interest,
- (c) make arrangements not to be given any documents or information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company provided that the Relevant Director may make arrangements for such documents and information to be received and read by a professional adviser,
- (d) decide not to disclose any information which he has obtained in connection with the matter that gives rise to the conflict of interest or possible conflict of interest to the Directors or to any other officer or employee of the Company, and/or
- (e) decide not to use or apply any such information in performing his duties as a Director of the Company,

and the Relevant Director's general duties will not be infringed by anything done or omitted to be done by the Relevant Director in accordance with paragraphs (a) to (e) above

14 7 Subject to his declaring the nature and extent of the interest in accordance with article 15 (save in the case of an interest falling within sub-paragraph (a) below which shall not require to be so declared), a Director is permitted to have an interest of the following kind

- (a) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest,
- (b) where the Director (or a person connected with him) is a Director or other officer of or employed by or otherwise interested (including by the holding of Shares) in any Relevant Company,
- (c) where the Director (or person connected with him) is a party to, or otherwise interested in any contract, transaction or arrangement with a Relevant Company or in which the Company is otherwise interested,
- (d) where the Director (or any person connected with him) acts (or any firm of which is a partner, employee or member acts) in a professional capacity for a Relevant Company (other than as auditor) whether or not he is remunerated for such actions, and

- (e) any other interest authorised by ordinary resolution,

and no authorisation pursuant to this article 14 shall be required in relation to such an interest

14 8 In this article 14

- (a) a **"Relevant Company"** means;

- (i) the Company,
- (ii) any holding company of the Company,
- (iii) any company within SD's group,
- (iv) or any subsidiary or subsidiary undertaking of any such holding company,
- (v) any undertaking of the Company (the **"Holding Undertaking"**), any other undertaking in which the Holding Undertaking (or persons acting on its or their behalf) directly or indirectly holds or controls either a majority of the voting rights exercisable at general meetings of that undertaking or the right to appoint or remove directors having a majority of the voting rights exercisable at meetings of the board of directors of that undertaking (**"Other Undertaking"**),
- (vi) any subsidiary or undertaking of the Holding Undertaking or Other Undertaking,
- (vii) any Shareholder, including without limitation any partnership (or partner of that partnership) that is a shareholder of the Company;
- (viii) any body corporate promoted by the Company,
- (ix) any body corporate in which the Company is otherwise interested,
- (x) any officer, agent, adviser, employee, secondee, consultant, contractor or representative,
- (xi) any investment fund, investment trust, limited partnership, unit trust or co-investment scheme in which the Company is interested;
- (xii) any nominee, trustee, custodian, manager, investment adviser, general partner or otherwise of any investment fund, investment trust, limited partnership, unit trust or co-investment scheme in which the Company is interested,
- (xiii) West Coast Capital or any partner of West Coast Capital,
- (xiv) any parent, spouse, life partner, widow, child, grandchild, or remoter issue of any partner of West Coast Capital or A Director,
- (xv) the Hunter Foundation (a Scottish Charity with registered number SC27532),

- (xvi) Sir Thomas Blane Hunter,
  - (xvii) a TBH Partnership,
  - (xviii) any company controlled by Sir Thomas Blane Hunter or a TBH Partnership at the relevant time,
  - (xix) any parent, spouse, life partner, widow, child, grandchild, or remoter issue of Sir Thomas Blane Hunter,
  - (xx) any trust of which Sir Thomas Blane Hunter is a beneficiary, or
  - (xxi) any trust of which any parent, spouse, life partner, widow, child, grandchild, or remoter issue of Sir Thomas Blane Hunter is a beneficiary, and
- (b) a person is connected with a Director if he is connected to him in terms of section 252 of the Act

## **15 DECLARATION OF INTERESTS IN PROPOSED OR EXISTING TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY**

- 15 1 A Director who is in any way, directly or indirectly interested in a proposed transaction or arrangement with the Company must declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement
- 15 2 A Director who is in any way directly or indirectly interested in a transaction or arrangement that has been entered into by the Company must declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable unless the interest has already been declared pursuant to article 15 1
- 15 3 Any declaration required by article 15 1 may (but need not be) be made at a meeting of the Directors or by notice in writing in accordance with section 184 of the Act or by general notice in accordance with section 185 of the Act Any declaration required by article 15 2 must be made at a meeting of the Directors or by notice in writing in accordance with section 184 of the Act or by general notice in accordance with section 185 of the Act
- 15 4 If a declaration made pursuant to article 15 1 or 15 2 proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under article 15 1 or 15 2 as appropriate
- 15 5 A Director need not declare an interest if
- (a) it cannot reasonably be regarded as likely to give rise to a conflict of interest, or
  - (b) to the extent that the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware),

- (c) to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the Directors or by a committee of the Directors appointed for the purpose under these Articles, or
  - (d) the Director is not aware of his interest or is not aware of the transaction or arrangement in question (and for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware)
- 15 6 Provided he has declared the nature and extent of his interest in accordance with article 15 1, a Director is entitled to vote on any resolution of the Directors or of a committee of the Directors concerning any contract, transaction, arrangement or proposal to which the Company is or is to be a party and in which he (or a person connected with him within the meaning of section 252 of the Act) has an interest and shall be counted in the quorum for the meeting of Directors in relation to such contract, transaction, arrangement or proposal
- 15 7 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or any person connected with him within the meaning of section 252 of the Act) derives from any contract, transaction or arrangement or from any office, employment or position which has been approved by the Board pursuant to article 14 1
- 15 8 In this article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting
- 15 9 Subject to article 15 10 if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive
- 15 10 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

## 16 RECORDS OF DECISIONS TO BE KEPT

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors. Where decisions of the Directors are taken by electronic means, such decisions must be recorded by the Directors in permanent form so that they may be read by the naked eye

## 17 NUMBER OF DIRECTORS

- 17 1 There shall not be less than one A Director and one B Director, and there shall be no maximum number of Directors

## 18 APPOINTMENT AND REMOVAL OF DIRECTORS

- 18 1 The Holders of the A Shares for the time being shall be entitled to appoint such persons as they think fit to be A Directors of the Company, and there shall be no maximum number of A Directors. Any A Director may at any time be removed from office by the Holders of A Shares
- 18 2 If and for so long as a TBH Entity holds at least one B Share, it may appoint one person to be a B Director, remove any person from that position and, if desired, appoint another in his place
- 18 3 Any person appointed pursuant to article 18 2 will be deemed to be removed from that position on the date when a TBH Entity ceases to hold at least one B Share
- 18 4 Every appointment and removal under article 18 2 must be in writing and signed on behalf of the TBH Entity which holds at least one B Share at the time of such appointment and/or removal. The notice of appointment will take effect on and from the date on which the notice of appointment or removal is lodged at the registered office of the Company
- 18 5 Any A Director and any B Director is entitled to be appointed to any committee of the Directors established from time to time
- 18 6 Any B Director shall be entitled, *inter alia*, to receive copies of the monthly management accounts, board packs and all information that it may reasonable request in connection with the Company
- 18 7 If for any reason the number of A Directors is equal to or fewer than the number of B Directors at any Board meeting, then the A Director(s) present shall be entitled at that meeting to such additional vote(s) as are required in order for the A Director or A Directors present to have one more vote than the total number of votes held by the B Director or B Directors present

## 19 TERMINATION OF DIRECTOR'S APPOINTMENT

- 19 1 A person shall also cease to be a Director as soon as
- (a) that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law, or
  - (b) a bankruptcy order is made against that person, or
  - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts, or

- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months; or
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have, or
- (f) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms

## **20 DIRECTORS' POWER TO ALLOT SHARES**

- 20 1 The Directors may offer or allot Shares, grant rights to subscribe for or to convert any security into or otherwise deal in, or dispose in Shares on such terms and at such time as they may decide provided that
- (a) this authority may only be exercised for a period of five years commencing on the the passing of the resolution by virtue of which these Articles were adopted provided that the Directors may, before such expiry make one or more offers or agreements which would or might require Shares to be allotted after such expiry and the Directors may allot Shares after such authority has expired in pursuance of every such offer or agreement as if the power conferred by these Articles had not expired, and
  - (b) this authority shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution or by a written resolution in accordance with section 282(2) of the Act
- 20 2 Any previous authority however given pursuant to section 80 of the Companies Act 1985 or 551 of the Act is revoked save that the validity of any allotment, offer or agreement made pursuant to any such earlier authority before the date of adoption of these Articles is not affected

## **21 OFFERS OF NEW SHARES TO EXISTING SHAREHOLDERS**

- 21 1 Subject to the terms of article 7 1 and save where the holders of at least 75% of the Shares have given their prior written consent, the Directors may offer any Shares which they propose to offer or allot or grant rights to subscribe for or to convert any security into or otherwise deal in or dispose of to Shareholders in accordance with the provisions of this article and must do so before allotting them to any other person
- 21 2 The Directors must make an offer to allot to each person who is a Shareholder at the date of such offer (excluding any Shareholder in respect of whom a Transfer Notice is deemed to have been served in accordance with article 28), a proportion of the Shares being offered that is as nearly as practicable equal to the proportion in nominal value held by him of the

equity share capital of the Company (the "**Pre-emption offer**") Each Pre-emption offer must be made in writing to all Shareholders on the same day and must state

- (a) the aggregate number of Shares to be allotted,
- (b) the terms of such allotment, and
- (c) the number of Shares offered for sale to the Shareholder to whom the Pre-emption offer is addressed

21 3 The following conditions must be incorporated in the Pre-emption offer

- (a) if the Shareholder wishes to purchase all or any of the Shares which are subject to the Pre-emption offer (the "**Offered Shares**"), he must accept such offer in writing in accordance with the provisions of article 42 within 14 days of the date of service of the Pre-emption offer (the "**Acceptance**"), and
- (b) if the Shareholder wishes to purchase more than the number of Offered Shares he must indicate in the Acceptance, the maximum number of additional Shares he is willing to purchase (the "**Additional Acceptance**"), and
- (c) if within 14 days of the date of service of the Pre-emption offer there are Shares which have not been accepted for purchase by the Shareholders, (the "**Surplus Shares**"), the Surplus Shares will be allocated to and deemed to be accepted by each Shareholder who has made an Additional Acceptance, and
- (d) if there are insufficient Surplus Shares to satisfy all Additional Acceptances, the number of Surplus Shares to be allocated to each Shareholder who has made an Additional Acceptance shall be calculated according to the proportion which the number of Shares held by the relevant Shareholder as at the date of the Pre-emption offer bears to the aggregate number of Shares held by all Shareholders who have made an Additional Acceptance Each Shareholder who made an Additional Acceptance will be deemed to agree to purchase the number of Surplus Shares allocated to him pursuant to such calculation, and
- (e) each Shareholder must no later than five working days after the allocation of Shares to him pay to the Company the total subscription price payable for such Shares and upon payment of such sum, the Company must deliver a share certificate to the relevant Shareholder for the number of Shares purchased by him

21 4 If any Pre-emption offer is not accepted in full, the Directors may within three months after the date of such offer dispose of any Shares referred to in the Pre-emption offer and not allotted to any Shareholder to such person or persons as they think fit but only for the same consideration and on the same terms which were specified in the Pre-emption offer.

21 5 Sections 561 and 562(1) to (6) of the Act shall not apply to the Company



## **22 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or these Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the Holder's absolute ownership of it and all the rights attaching to it

## **23 SHARE TRANSFERS- GENERAL**

- 23 1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor
- 23 2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share
- 23 3 The Company may retain any instrument of transfer which is registered
- 23 4 The transferor remains the Holder of a share until the transferee's name is entered in the register of members as Holder of it
- 23 5 The Directors may refuse to register the transfer of a Share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal (which must contain the reasons for the refusal) unless they suspect that the proposed transfer may be fraudulent
- 23 6 Save as expressly permitted by these Articles, a Shareholder must not enter into any arrangement where the terms upon which that Shareholder holds any Shares are to be varied if as a result any interest in those Shares is varied, disposed of or created or extinguished
- 23 7 Notwithstanding any other provision of these Articles, the Directors must not register a transfer of any Share or any interest in any Share to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind

## **24 DIRECTORS' POWERS ON TRANSFER OF SHARES**

- 24 1 The Directors must not register the transfer of any Share or any interest in any Share unless the transfer
- (a) is permitted by article 25, or
- (b) is made in accordance with article 27 or 28

- 24 2 The Directors may at any time require any Shareholder or any person named as transferee in an instrument of transfer lodged for registration to give the Directors such information and evidence as the Directors believe is relevant to ensure that a transfer of Shares is being made in accordance with these Articles or that no circumstances have arisen which would result in a Transfer Notice being bound to be given or being deemed to have been given
- 24 3 If the Directors are not given such information or evidence within 20 days after they have requested it, the Directors may in their absolute discretion give notice of refusal to register the transfer concerned together with reasons for the refusal to the person named as transferee or require the Shareholder by written notice to give a Transfer Notice in respect of the relevant Shares. If the information or evidence received by the Directors discloses to their satisfaction that a Shareholder may be bound to give or is deemed to have given a Transfer Notice, the Directors may in their absolute discretion by written notice to the relevant Shareholder require that a Transfer Notice be given in respect of the relevant Shares
- 24 4 An obligation to transfer a Share under these Articles is an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or encumbrance

## 25 **STANDSTILL**

- 25 1 A holder of the B Shares may not sell, transfer, assign, pledge, charge or otherwise dispose of any B Share or any interest in any B Share for a period of 36 months from the date of adoption of these Articles other than pursuant to a Permitted Transfer effected in accordance with Article 26 (the "**Standstill Period**")
- 25 2 Following the expiry of the Standstill Period, the Holder of B Shares shall not sell, transfer, assign, pledge, charge or otherwise dispose of any Share or any interest in any Share other than in accordance with article 27 or as required or permitted in accordance with articles 28, 29, 30 or 31

## 26 **PERMITTED TRANSFERS**

- 26 1 In this article

- (a) "**Employee Trust**" means any employee trust established by the Company, and
- (b) "**Family Member**" means, in relation to a Shareholder or Sir Thomas Blane Hunter, any of his mother, father, spouse (or widow or widower), civil partner, children, sons-in-law, daughters-in-law and grandchildren (including step and adopted children and grandchildren) and other lineal ascendants or descendants,
- (c) "**Family Trust**" means, in relation to a Shareholder or Sir Thomas Blane Hunter, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Shareholder or Sir Thomas Blane Hunter or any of his Family Members and under which no power of control over the voting powers conferred by any Shares, the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the

trustees or such Shareholder or Sir Thomas Blane Hunter or any of his Family Members, and

- (d) **"Permitted Transfer"** means any transfer of Shares expressly permitted under this article 25

26 2 A Shareholder which is a body corporate may transfer Shares to

- (a) any company of which that Shareholder is a subsidiary, or
- (b) any subsidiary of such company, or
- (c) any subsidiary of that Shareholder

26 3 A Shareholder who is an individual may transfer Shares to

- (a) any Family Member, or
- (b) to the trustee of any Family Trust,

and such Family Member or trustee may transfer Shares to each other but not otherwise

26 4 A Shareholder which is an investment fund or collective investment scheme or a nominee or custodian of or investors of any such fund or scheme may transfer Shares to

- (a) holders of units, a partner or participant in or a nominee or trustee for the holders of units in or partners in or Shareholders of or investors in such fund or scheme, or
- (b) another fund or scheme (or nominee or trustee for another fund) which is managed or advised by the same manager or adviser as the transferor (or the person for whom the transferor is a nominee or trustee) or by any Shareholder of the same group of companies as such manager or adviser, or
- (c) a nominee or trustee for such fund or scheme (and such nominee or trustee may transfer Shares back to such fund or scheme)

26 5 Any Shareholder may transfer Shares to any Employee Trust

26 6 The trustees of any Employee Trust may transfer Shares to the beneficiaries of such trust (or any of them) as may be approved by the Directors

26 7 Any Shareholder may transfer Shares to a TBH Entity

- 26 8 Article 27 does not apply to a transfer of Shares made pursuant to articles 26 1 to 26 7
- 26 9 Any transfer of any Share pursuant to this article 25 shall only be treated as a permitted transfer if it is a transfer of the entire legal and beneficial interest in such Share, free from any lien, charge or other encumbrance (save for any interest of beneficiaries under the relevant Family Trust or any Employee Trust, where applicable)
- 26 10 If any person to whom Shares are transferred pursuant to articles 26 1 to 26 6 whether by one or a series of transfers and whether directly or indirectly, ceases to be within the required relationship with the original transferor of such Shares
- (a) such Shares must be transferred back to the original transferor (or to any other person falling within the required relationship with the original transferor) forthwith upon such relationship ceasing, and
  - (b) if the Holder of such Shares fails to make such transfer within 20 days of such relationship ceasing, the Holder of those Shares will be deemed to have served a Transfer Notice in respect of all such Shares held by him and the provisions of article 27 apply

## 27 PRE-EMPTIVE TRANSFERS

- 27 1 Unless the transfer is permitted by article 25 or required by articles 28, 30 or 31, a B Shareholder or person entitled to a Share by transmission is prohibited from transferring or disposing of or agreeing to transfer or dispose of or grant any interest or right in any Share to any person unless such Shares have been offered for sale to the A Shareholder(s) in accordance with this article
- 27 2 Without the prior consent of the A Shareholder, a B Shareholder is not permitted at any time to transfer any Shares to any Third Party Purchaser where in the opinion of the A Shareholder the Third Party Purchaser is or may be considered to be a competitor to the A Shareholder
- 27 3 The offer referred to in article 27 1 must be effected as follows
- (a) the Shareholder wishing to sell the Shares (the "Transferor") must serve notice in writing on the Company that he wishes to sell Shares (a "Transfer Notice"),
  - (b) the Transfer Notice must
    - (i) specify the number and class of Shares offered (the "Sale Shares"), and
    - (ii) specify the identity of any proposed transferee, and

- (iii) unless the Transfer Notice is deemed to be given in accordance with these Articles set out the consideration per Share at which the Sale Shares are proposed to be offered (the "**Specified Price**"), and
- (iv) contain any other terms relating to the proposed sale, and
- (v) state whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the provisions of this article (a "**Total Transfer Condition**"), and
- (vi) relate to one class of Share only, and
- (vii) appoint the Company as the agent of the transferor for the sale of the Sale Shares on the terms of this article, and
- (viii) save as provided in article 27 9, be irrevocable, and
- (ix) not contain or be deemed to contain a total transfer condition unless this is both expressly stated and is permitted by these Articles

27 4 The Sale Shares shall be offered for purchase at an amount of consideration per Sale Share (the "**Sale Price**") agreed between the transferor and the Directors. If they cannot agree the Sale Price by the end of the 20th working day after the date of service of the Transfer Notice, the Directors must instruct the Valuers to determine the open market value of each Sale Share in accordance with article 27 5 (the "**Market Value**") as at the date of service of the Transfer Notice.

27 5 If instructed by the Directors to report on Market Value, the Valuers shall

- (a) act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders (except in the case of manifest error), and
- (b) proceed on the basis that the Market Value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the class of Shares of which the Sale Shares forms part, divided by the number of issued Shares then comprised in that class, and applying a premium or discount to take into account to the size of the holding the subject of the Transfer Notice and/or any restrictions on the transferability of the Sale Shares, and
- (c) be entitled in their absolute discretion to appoint legal or other professional advisers to advise on the interpretation and effect of any records or documents provided to it for the purposes of determining the Market Value

27 6 The Company must use its reasonable endeavours to procure that the Valuers deliver their report on the Market Value to the Directors and to the Transferor within 28 days of being requested to do so.

27 7 One half of the Valuers' fees for reporting on Market Value must be paid by the Transferor and the other half must be paid by the purchasers *pro rata* to the number of Sale Shares purchased by them unless

- (a) the Transferor revokes the Transfer Notice pursuant to article 27 9, or
- (b) none of the Sale Shares are purchased by the Shareholders pursuant to this article 27 ,

when the Transferor shall pay all the Valuers' fees

27 8 The Sale Price shall be the lower of

- (a) the Specified Price, and
- (b) the Market Value

27 9 If the Market Value determined and reported by the Valuers is less than the Specified Price, the Transferor may revoke the Transfer Notice by giving written notice to the Directors within the period of seven working days after the date the Directors deliver the Valuers' report on Market Value to the Transferor

27 10 Within 20 working days after the Sale Price has been agreed or determined, the Directors must give written notice (the "**Offer Notice**") to the Shareholders (other than the Transferor) of

- (a) the Sale Price, and
- (b) the other information set out in the Transfer Notice, and
- (c) unless the Transfer Notice is deemed to be given as provided in these Articles, the identity of any proposed transferee,

and it must invite each Shareholder to state by written notice to the Company within 30 working days whether he is willing to purchase any of the Sale Shares and if so, the maximum number of Shares he is willing to purchase

27 11 The Sale Shares must be offered in the first instance to Shareholders who hold Shares of the same class as the Sale Shares and to the extent not accepted by those Shareholders, to Shareholders holding Shares of other classes (but no Shares shall be treated as offered to the transferor or any other Shareholder who is then bound to give, has given or is deemed to have given a Transfer Notice)

- 27 12 After the expiry date of the Offer Notice, (or earlier if valid applications have been received for all the Sale Shares offered prior to such expiry date), the Directors must allocate the Sale Shares to or amongst the Shareholders in accordance with the applications received If
- (a) there are applications from any class of Shareholders for more than the number of Sale Shares available for that class, the Sale Shares shall be allocated to those Shareholders in proportion (as nearly as possible but without allocating to any Shareholder more Sale Shares than the maximum number applied for by him) to the number of Shares of the class which entitles them to receive such offer then held by them respectively,
  - (b) if it is not possible to allocate any of the Sale Shares without involving fractions, those Shares shall be allocated amongst the Shareholders of each class in such manner as the Directors think fit, and
  - (c) if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated
- 27 13 Within five working days of the expiry date of the last Offer Notice, the Directors must give notice in writing (a "**Sale Notice**") to the Transferor and to each Shareholder to whom Sale Shares have been allocated (each a "**Purchaser**") specifying
- (a) the name and address of each Purchaser, and
  - (b) the number of Sale Shares agreed to be purchased by him, and
  - (c) the total consideration payable for the Sale Shares
- 27 14 Each Purchaser must no later than five working days after such allocation pay to the Transferor the total sale proceeds for the transfer of the relevant Sale Shares to him at the price per Share equal to the Sale Price (the "**Proceeds of Sale**") and upon payment of such sum, the Transferor must deliver the documents required to transfer the Sale Shares to the Company and the Directors must register such transfer and deliver the relevant share certificate to the relevant purchaser
- 27 15 If the Transferor does not transfer the Sale Shares when required pursuant to article 27 14
- (a) the Directors may authorise any person (who shall be deemed to be irrevocably appointed as the attorney of the Transferor for the purpose) to execute the necessary transfer of such Sale Shares and deliver it on the Transferor's behalf,
  - (b) the Company may receive the purchase money for such Sale Shares from the Purchaser and upon receipt (subject, if necessary, to the transfer being duly stamped) must register the purchaser as the Holder of such Sale Shares,

- (c) the Company must hold any purchase money paid to it in a separate bank account on trust for the Transferor but need not earn or pay interest on any money so held,
- (d) the Company's receipt for such purchase money will be a good discharge to the purchaser who is not required to see to the application of it, and
- (e) after the name of the Purchaser has been entered in the register of Shareholders, the validity of the proceedings cannot be questioned by any person

27 16 The Transferor may, for 60 working days after the expiry date of the last Offer Notice, sell all or any of those Sale Shares for which a Sale Notice has not been given by way of *bona fide* sale to the proposed transferee (if any) named in the Transfer Notice or, if no transferee was named, to any person for any amount of consideration per Sale Share which is not less than the Sale Price, provided that

- (a) the Transferor may not transfer any Sale Share and the Directors shall not register any transfer to a transferee who is not at that date a Shareholder unless such transferee is first approved in writing by the Directors, and
- (b) if the Transfer Notice contained a total transfer condition, the Transferor shall not be entitled to sell only some of the Sale Shares under this article unless he has obtained the written consent of all the other Shareholders

## 28 COMPULSORY TRANSFERS

28 1 In this article "**Acting in Concert**" has the meaning given in the City Code on Takeovers and Mergers which is in force at the date of adoption of these Articles

28 2 If

- (a) a Shareholder is an individual and
  - (i) a bankruptcy order is made against him, or
  - (ii) he has died, or
  - (iii) by reason of his mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have, or
- (b) a Shareholder makes or offers or purports to make any arrangement or composition with his creditors generally; or



- (c) a Shareholder is a body corporate and
  - (i) a receiver, manager or administrative receiver has been appointed over all or any part of its undertaking or assets, or
  - (ii) an administrator has been appointed in relation to it, or
  - (iii) it enters into liquidation (other than a voluntary liquidation for the purpose of a *bona fide* scheme of solvent amalgamation or reconstruction), or
  - (iv) any equivalent action is taken in respect of it in any jurisdiction, or
- (d) a Shareholder or any Family Member or the trustees of any Family Trust of a Shareholder attempts to deal with or dispose of any Share or any interest in it otherwise than in accordance with articles 25 or 27 and this article or in breach of article 23 7, or
- (e) a Shareholder does not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by article 24 3 or article 27 15,

the Directors may within the 12 months following the occurrence of the relevant event resolve that such event is a transfer event in relation to that Shareholder for the purposes of this article (a "Transfer Event")

- 28 3 If the Directors resolve that a Transfer Event has occurred, the Shareholder in respect of whom the Transfer Event has occurred (the "**Relevant Shareholder**") and any other Shareholder who has acquired Shares from him under a permitted transfer (directly or by means of a series of two or more permitted transfers) under article 25 shall be deemed to have immediately given a Transfer Notice (a "**Deemed Transfer Notice**") in respect of all such Shares then held by that Shareholder (including any Shares received by way of rights or on capitalisation)
- 28 4 A Transfer Notice given under article 24 3 or article 26 10(b) shall be a "**Deemed Transfer Notice**" for the purposes of this article
- 28 5 A Deemed Transfer Notice supersedes and cancels any then current Transfer Notice if it relates to some or all of the Shares referred to in the Transfer Notice except for Shares which have been validly transferred pursuant to that Transfer Notice
- 28 6 Notwithstanding any other provision of these Articles, if the Directors so decide, any Shareholder who holds Shares which are subject to a Deemed Transfer Notice must not from the date of the relevant Deemed Transfer Notice until the date of entry in the register of Shareholders of the Company of another person as the Holder of those Shares, exercise any voting rights at general meetings of the Company in respect of those Shares

28 7 Shares which are the subject of a Deemed Transfer Notice must be offered for sale in accordance with article 27 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Transferor the Shareholder who is deemed to have given the Deemed Transfer Notice save that

- (a) the Sale Price shall be an amount of consideration per Sale Share agreed between the Transferor and the Directors or, in default of agreement within 15 working days after the Directors resolving that a Transfer Event has occurred, the Market Value determined by the Valuers in accordance with article 27,
- (b) a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable,
- (c) the Transferor may retain any Sale Shares for which Purchasers are not found, and
- (d) the Sale Shares must be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date

28 8 Once a Deemed Transfer Notice is deemed to have been served then no permitted transfer under article 25 may be made in respect of any share which is the subject of the deemed Transfer Notice unless and until an Offer Notice has been served in respect of such Share and the period of allocation permitted under article 25 has expired without such allocation

## 29 TRANSMISSION OF SHARES

29 1 If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share

29 2 A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require

- (a) may, subject to article 28, within 28 clear days of written notice to that effect, choose either to become the Holder of those Shares or to have them transferred to another person (and if no choice is made by the Transmitttee, he shall be deemed to have elected to become the Holder of those Shares), and
- (b) subject to article 28, pending any transfer of the Shares to another person, has the same rights as the Holder had save that the Transmitttee does not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which he is entitled, by reason of the Holder's death or Bankruptcy or otherwise, unless he becomes the Holder of those Shares

29 3 Article 23 shall apply to the notice referred to in article 29 2(a) as if it were an instrument of transfer executed by the Shareholder and the event resulting in title to the Share passing to the Transmitttee had not occurred

30       **Pull Along**

- 30 1       Subject to article 30 2, if any one or more Shareholders (together the "**Selling Shareholders**") wish to transfer all their Shares (the "**Relevant Shares**") to a Third Party Purchaser on arms length terms which, if such transfer was registered would result in a Change of Control, the Selling Shareholders shall have the option (the "**Pull Option**") to require all the other Holders of Shares to transfer all their shares with full title guarantee to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with this article 30
- 30 2       The Selling Shareholders may exercise the Pull Option by giving notice to that effect (a "**Pull Notice**") to all other Shareholders (the "**Pulled Shareholders**") at any time before the registration of the transfer of Shares resulting in the Change of Control. A Pull Notice shall specify that the Pulled Shareholders are required to transfer all their Shares (the "**Pulled Shares**") pursuant to article 30 1 to the Third Party Purchaser, the consideration for which the Pulled Shares are to be transferred (determined in accordance with article 30 4) the proposed date of transfer and the identity of the Third Party Purchaser
- 30 3       A Pull Notice is irrevocable but the Pull Notice and all obligations thereunder will lapse if for any reason there is not a Change of Control caused by a transfer of Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of the Pull Notice
- 30 4       The Pulled Shareholders shall be obliged to sell the Pulled Shares for the consideration specified in the Pull Notice which shall be the same consideration attributable to all Equity Shares (including the Relevant Shares) including the relevant proportion (being the proportion to which the Pulled Shares bears to the whole of the issued Shares in the capital of the Company) of any other consideration (in cash or otherwise) received or receivable by the Holders of the Relevant Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the consideration paid or payable for the Relevant Shares
- 30 5       So far as is reasonably practicable the Company shall use reasonable endeavours to ensure that the Pulled Shareholders are given sufficient information as may be necessary for them to be able to form a reasonable view as to the nature of the proposed transaction
- 30 6       Completion of the sale of the Pulled Shares shall take place on the same date as the date proposed for completion of the sale of the Selling Shareholders' Shares unless -
- (a)       all of the Pulled Shareholders and the Selling Shareholders agree otherwise, or
- (b)       that date is less than seven days after the date of the Pull Notice, when it shall be deferred until the seventh day after the date of the Pull Notice.
- 30 7       Each of the Pulled Shareholders shall on service of the Pull Notice be deemed to have irrevocably appointed each of the Selling Shareholders severally 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 Pulled Shares pursuant to this article 30

31       **Tag Along**

- 31 1       Subject to article 30, but notwithstanding any other provision in these Articles no sale or transfer or series of related transfers or other disposition of any interest in any Share (the "**Specified Shares**") shall have any effect if it would result in a Change of Control unless before the transfer or transfers is/are lodged for registration the Third Party Purchaser has made a *bona fide* offer in accordance with these Articles to purchase at the Specified Price (defined in article 31 4), all the Shares held by Shareholders who are not acting in concert or otherwise connected with the Third Party Purchaser (the "**Uncommitted Shares**")

- 31 2 So far as is reasonably practicable the Company shall use reasonable endeavours to ensure that the Holders of the Uncommitted Shares are given sufficient information as may be necessary for them to be able to form a reasonable view as to the nature of the proposed transaction
- 31 3 An offer made under article 31 1 shall be in writing, given in accordance with article 42, open for acceptance for at least 21 days, and shall be deemed to be rejected by any Shareholder who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase and within 30 days of the date of the offer
- 31 4 For the purposes of this article 31 the expression "**Specified Price**" means in the case of Uncommitted Shares which are Equity Shares an amount of consideration (whether cash or otherwise) per share at least equal to the highest amount of consideration paid or payable by the Third Party Purchaser or persons acting in concert with him or connected with him for any Equity Shares within the last six months (including to avoid doubt the amount of consideration proposed to be paid for the Specified Shares) plus an amount equal to the relevant proportion (being the proportion to which the Uncommitted Shares bears to the whole of the issued Shares in the capital of the Company) of any other consideration (in cash or otherwise) received or receivable by the Holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the amount of consideration paid or payable for the Specified Shares Provided always that an equal value shall be attributed to all A Shares including the Specified Shares

## 32 EXERCISE OF TRANSMITTEES' RIGHTS

- 32 1 Transmittees who wish to become the Holders of Shares to which they have become entitled must notify the Company in writing of that wish
- 32 2 If the Transmitttee wishes to have a share transferred to another person, the Transmitttee must execute an instrument of transfer in respect of it
- 32 3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the Transmitttee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred

## 33 NOTICE OF GENERAL MEETINGS

The notice of a general meeting of the Company must state

- (a) the time and date of the meeting,
- (b) the place of the meeting, and
- (c) the general nature of the business to be transacted

**34 ANNUAL GENERAL MEETINGS**

The Company is not required to hold an annual general meeting

**35 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

35 1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting

35 2 A person is able to exercise the right to vote at a general meeting when

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting

35 3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it

35 4 In determining attendance at a general meeting, it is immaterial whether any two or more Shareholders attending it are in the same place as each other

35 5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

**36 QUORUM FOR GENERAL MEETINGS**

36 1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum

36 2 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, of whom one shall be a Holder of A Shares or a duly authorised representative of such holder and one shall be a Holder of B Shares or a duly authorised representative of such holder

36 3 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall proceed so long as a Holder of A Shares is present in person or by proxy

**37 CHAIRING GENERAL MEETINGS**

37 1 If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so

37 2 If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start

(a) the Directors present, or

(b) (if no Directors are present), the meeting,

must appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairman of the meeting must be the first business of the meeting

37 3 The person chairing a meeting in accordance with this article is referred to as the "**chairman of the meeting**"

**38 VOTING: MENTAL DISORDER**

If a court has appointed a person to manage the affairs of a Shareholder a result of a mental disorder of such Shareholder, the person appointed by that court may, provided he has not less than 48 hours before the time appointed for the relevant meeting, deposited at the registered office of the Company evidence to the satisfaction of the Directors that he has authority to exercise the right to vote, attend any general meeting of the Company and vote at such meeting whether on a show of hands or on a poll

**39 POLL VOTES**

39 1 A poll on a resolution may be demanded

(a) in advance of the general meeting where it is to be put to the vote, or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

39 2 A poll may be demanded by

(a) the chairman of the meeting,

(b) the Directors,

- (c) two or more persons having the right to vote on the resolution, or
  - (d) a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution
- 39 3 A demand for a poll may be withdrawn if
- (a) the poll has not yet been taken, and
  - (b) the chairman of the meeting consents to the withdrawal
- 39 4 Polls must be taken immediately and in such manner as the chairman of the meeting directs. The result of the poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded
- 39 5 A demand for a poll does not prevent a general meeting from continuing except as regards the question on which the poll was demanded
- 39 6 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice must be given specifying the time and place at which the poll is to be taken

#### 40 **CONTENT OF PROXY NOTICES**

- 40 1 Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which
- (a) states the name and address of the Shareholder appointing the proxy,
  - (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed,
  - (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine, and
  - (d) is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate
- 40 2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- 40 3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions

40 4 Unless a Proxy Notice indicates otherwise, it must be treated as

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

#### 41 DELIVERY OF PROXY NOTICES

41 1 Any notice of a general meeting must specify the address or addresses ("**Proxy Notification Address**") at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form

41 2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person

41 3 Subject to articles 41 4 and 41 5, a Proxy Notice must be delivered to a Proxy Notification Address not less than 48 hours before the general meeting or adjourned meeting which it relates. A Proxy Notice which is not delivered in such manner shall be invalid unless the Directors in their absolute discretion, accept the Proxy Notice at any time before the meeting

41 4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a Proxy Notification Address not less than 24 hours before the time appointed for the taking of the poll

41 5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be delivered

- (a) in accordance with article 41 3, or
- (b) at the meeting at which the poll was demanded to the chairman of the meeting, the secretary or any Director

41 6 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given

41 7 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.



- 41 8 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the Appointor's behalf

## 42 NOTICES AND COMMUNICATION

- 42 1 The Company may send, supply or give any document, information or notice to a Shareholder by hard copy, electronic form or by making that document or information available on a website and giving notice of the availability of that document or information to the relevant Shareholder (provided that Shareholder has individually agreed (or is deemed to have agreed) to the Company sending or supplying documents or information generally or those documents or information in question to him by means of a website), in each case subject to the provisions of sections 1143 to 1148 and Schedule 5 of the Act
- 42 2 A notice given by means of a website shall be deemed to have been sent, supplied or given when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website
- 42 3 Any document, information or notice which is required to be sent or given to the Company shall be sent by hard copy or electronic form in each case, subject to the provisions of sections 1143 to 1148, Schedule 4 and Schedule 5 of the Act
- 42 4 Any notice, document or other information shall be deemed served on or delivered to the intended recipient -
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
  - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
  - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
  - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

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

- 42 5 Proof that an envelope containing a document, notice or information was properly addressed, prepaid and posted shall be conclusive evidence that the document, notice or information was sent, supplied or given by post. A comprehensive transaction report or log generated by fax machine, suitably certified by or on behalf of the Company, shall be conclusive evidence that a document, notice or information was sent, supplied or given by fax. A copy of a record of the total number of recipients sent to or each recipient to whom an e-mail message was sent together with any notices of failed transmissions and copies of records of subsequent re-sending, suitably certified by or on behalf of the Company, shall be conclusive evidence that the document, notice or information was sent, supplied or given by e-mail.
- 42 6 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.
- 42 7 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 42 8 Any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.