

First Written Resolution

DEVON IRONS (2003) LIMITED

(Registered in England - No. 4762632)

WRITTEN RESOLUTION

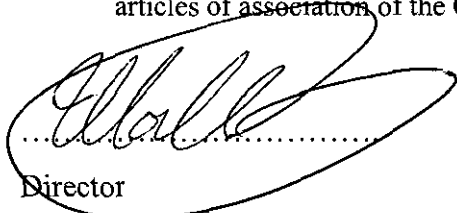
(Passed 4th June 2003)

In accordance with section 381A Companies Act 1985, the following resolutions were agreed to, and were duly passed on 4th June 2003 as, Special Resolutions:

SPECIAL RESOLUTIONS

“That:

- 1 The authorised share capital of the Company is increased from £1,000 to £1,100,000 by the creation of:-
 - 1.1 999,000 Ordinary Shares of £1.00 each, having the rights set out in the articles of association to be adopted by the Company pursuant to paragraph 2 below; and
 - 1.2 100,000 Preference Shares of £1.00 each, having the rights set out in the articles of association to be adopted by the Company pursuant to paragraph 2 below;
- 2 The regulations contained in the document annexed to this resolution be adopted as the articles of association of the Company to the exclusion of, and in substitution for, the existing articles of association of the Company.”


.....
Director



Company No 4762632

THE COMPANIES ACTS 1985 AND 1989

ARTICLES OF ASSOCIATION

OF

DEVON IRONS (2003) LIMITED

PRIVATE COMPANY LIMITED

BY SHARES

A handwritten signature in dark ink, appearing to be 'M' or 'J', is written over the text 'Adopted by Special Resolution on 4th June 2003'.

Adopted by Special Resolution on 4th June 2003

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1 Preliminary

1.1 The headings do not affect the construction of these Articles.

1.2 The following table defines certain words and expressions with a particular meaning:

Act	the Companies Act 1985 (as amended);
Board	the board of Directors of the Company from time to time;
Business Day	a day which is not a Saturday, Sunday or a bank or national holiday in England;
Company	Devon Irons (2003) Limited (registered number 4762632) whose registered office is at Unit 2, Westbridge Industrial Estate, Tavistock, Devon PL19 8DE;
Connected Person	has the meaning given to it by section 346 of the Act;
Controlling Interest	an interest (within the meaning of Part 1, Schedule 13 to the Act) in any Shares conferring in total more than 50% of the total voting rights conferred by all the Shares from time to time and conferring the right to vote at all general meetings of the Company;
Director	a director of the Company;
Executive	any employee, consultant or former employee or consultant of the Company or any of its Subsidiaries;
Expert	an umpire (acting as an expert and not an arbitrator) nominated by the parties concerned or, in the event of disagreement as to such nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales;
Family Trust	<p>a trust which only permits the settled property or the income from it to be applied for the benefit of:-</p> <p>(a) the settlor and/or his Privileged Relations; or</p> <p>(b) any charity or charities as default beneficiaries (meaning that the charity or charities have no immediate beneficial interest</p>

in any of the settled property or the income from it when the trust is created but may become interested if there are no other beneficiaries from time to time except another such charity or charities); or

(c) any other person whom the settlor nominates,

and under which no power of control is capable of being exercised over the votes of any Shares which are the subject of the trust by any person other than the trustees, the settlor or the Privileged Relations of the settlor. For the purposes of this definition, "settlor" includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased member;

Group

in relation to a company means:-

(a) any wholly-owned subsidiary of that company;

(b) any holding company of that company which holds all the issued share capital of such company; and

(c) any wholly-owned subsidiary of that holding company;

holding company

has the meaning given to it by sections 736 and 736A of the Act;

Issue Price

the price at which the relevant Share is issued, including any share premium;

Leaver

any Executive whose contract of employment with the Company or with any Subsidiary of the Company terminates for any reason, or any Executive whose consultancy agreement with the Company or any Subsidiary of the Company terminates for any reason, or, in the case of a Director who is neither an employee of, nor a consultant to, the Company or any Subsidiary of the Company, a person who ceases to be a Director provided that any person whose Directorship, employment or consultancy with the Company or any Subsidiary of the Company (as the case may be) is, upon its cessation or termination, replaced or superseded by a directorship, contract of employment or consultancy agreement

	with the Company or any Subsidiary of the Company, whether on similar or different terms, shall not be regarded as a Leaver for the purposes of these Articles;
Leaver Shares	all or any of the Shares held by a Leaver or the Permitted Transferee of such Leaver;
Ordinary Shareholder	a holder of all or any Ordinary Shares;
Ordinary Shares	the ordinary shares of £1.00 each in the capital of the Company;
Permitted Transfer	a transfer of Shares permitted pursuant to Article 7;
Permitted Transferee	a Shareholder to whom a Permitted Transfer has been made;
Preference Shareholder	a holder of all or any of the Preference Shares;
Preference Shares	the preference shares of £1.00 each in the capital of the Company;
Privileged Relations	the spouse, widow, widower or parent of a Shareholder, a Shareholder's children and grandchildren (including step- and adopted children and their issue) and step- and adopted children of a Shareholder's children;
Shareholder	a holder of any or all of the Shares;
Shareholders Agreement	the shareholders agreement, dated 4 th June 2003, between Ian Lockhart, Andrew Owen, Jennifer Owen, John Prince, Brian Richards, Oxford Ventures Group Limited and the Company;
Shares	the Ordinary Shares and the Preference Shares in the capital of the Company;
Subsidiary	has the meaning given to it by sections 736 and 736A of the Act and includes a subsidiary undertaking within the meaning of section 258 of the Act;
Table A	Table A in the Companies (Tables A to F) Regulations 1985, as amended by the Companies (Tables A to F) (Amendment) Regulations 1985; and
Taxes Act	Income and Corporation Taxes Act 1988.

- 1.3 References to regulations are to regulations in Table A and references to an Article by number are to the particular Article of these Articles.
- 1.4 The singular includes the plural and vice versa, references to any gender include every gender and references to persons include corporations, unincorporated associations and partnerships.
- 1.5 Unless these Articles state otherwise or unless otherwise modified by, or inconsistent with, these Articles, the regulations contained or incorporated in Table A apply to the Company provided that Regulations 2, 24, 25, 40, 41, 46, 50, 51, 52, 64, 65, 73, 74, 75, 80, 82, 87, 89, 93, 96 and 118, and the third, fifth and sixth sentences of Regulation 88 shall not apply to the Company.
- 1.6 The words "shareholder" and "holder" include the bearer of any share warrant unless these Articles state otherwise, or the context where the word appears does not allow this meaning.
- 1.7 Where these Articles refer to a person who is automatically entitled to any share by law, this includes a person who is entitled to the share as a result of the death or bankruptcy of a shareholder.
- 1.8 When an act of parliament or a section of an act is referred to, this includes any amendment to that act or section as well as any re-enactment (where that act or section is included in another act).
- 1.9 Where these Articles give any power or authority to anybody, this power or authority can be used on any number of occasions, unless the context does not allow this meaning.
- 1.10 Any word which is defined in the Act means the same in these Articles unless these Articles define it otherwise or the context where the word appears is inconsistent with the definition given in the Act.
- 1.11 Where these Articles state that anything can be done by passing an ordinary resolution, this can also be done by passing a special resolution or an extraordinary resolution.
- 1.12 Where these Articles refer to changing the amount of any shares, this means doing any or all of the following:-
- 1.12.1 subdividing the shares into other shares with a smaller nominal amount;
 - 1.12.2 consolidating the shares into other shares with a larger nominal amount; or
 - 1.12.3 dividing shares which have been consolidated into shares with a larger nominal amount than that of the original shares.
- 1.13 Where these Articles refer to months or years, these are calendar months or years.

2 **Authorised Share Capital**

The Company's authorised share capital is £1,100,000, divided into:-

2.1 100,000 Preference Shares of £1.00 each; and

2.2 1,000,000 Ordinary Shares of £1.00 each.

3 **Share Rights**

The Preference Shares and the Ordinary Shares are separate classes of Shares and shall have the following rights and restrictions applicable to them:-

3.1 ***Income***

3.1.1 The Preference Shareholders shall be entitled to be paid out of the profits of the Company available for distribution and resolved to be distributed in respect of each financial year or other accounting period of the Company, a fixed, cumulative preferential dividend ("Preference Dividend") at the rate of 8 per cent. per annum (exclusive of any imputed tax credit available to Shareholders) on the amount for the time being paid up (or credited as paid up) on the Preference Shares held by them, such dividend to be paid annually on 31st December in each year (a "Dividend Date") (or, in the event of any such date not being a Business Day, on the first Business Day next following such date) in respect of the twelve month period ending on such Dividend Date provided that the first such Preference Dividend in respect of each Preference Share shall be made on a pro rata basis on the Dividend Date next following the date of allotment thereof in respect of the period from the day next following the date of allotment to such Dividend Date.

3.1.2 The Preference Shares shall rank for Preference Dividend in priority to any other Shares of the Company (including, without limitation, Ordinary Shares) for the time being in issue. The rate of Preference Dividend is fixed on the basis that it is gross to the effect that if the Company is obliged to pay or account for tax at source, such Preference Dividend shall be reduced accordingly.

3.1.3 Preference Dividends shall be cumulative and accordingly, if and to the extent that the profits of the Company available for distribution by way of dividend are insufficient to pay the full amount of the Preference Dividend due for payment or if for any other reason all or the full amount of the Preference Dividend due for payment is not paid on the relevant Dividend Date then, with effect from such Dividend Date, the amount of such Preference Dividend unpaid shall, until paid, be deemed to be an additional amount paid up on the relevant Preference Shares and dividends shall accrue on such unpaid Preference Dividend

as if such unpaid Preference Dividend were an additional amount paid up on the relevant Preference Shares. Regulation 107 shall not apply to any payments in respect of any Preference Share. Any accrued Preference Dividend shall be paid as soon as reasonably practicable after the date when the profits of the Company available for distribution by way of dividend are sufficient for such purpose.

3.2 *Capital*

3.2.1 On a winding-up or (except on the redemption or purchase of any Shares) other return of capital, the assets of the Company available for distribution among the Shareholders shall, subject to any provision made under section 719 of the Act, be applied:

3.2.1.1 firstly, in repaying the capital paid up, or credited as paid up, on the Preference Shares held by the Preference Shareholders respectively (including any premium);

3.2.1.2 secondly, in paying to the Preference Shareholders a sum equal to all arrears and accruals (if any) of the Preference Dividend (whether or not such Preference Dividend has been earned or declared), calculated up to the date of the commencement of the winding-up of the Company (in the case of a winding-up) or the return of capital (in any other case);

3.2.1.3 thirdly, in repaying the capital paid up, or credited as paid up, on the Ordinary Shares (including any premium); and

3.2.1.4 fourthly, in distributing rateably amongst the holders of the Preference Shares and the Ordinary Shares according to the amounts paid up or credited as paid up in respect of their respective holdings.

The Preference Shares shall rank on a return of capital on liquidation or otherwise in priority to any other Shares (including, without limitation, Ordinary Shares) for the time being in issue.

3.2.2 Except as provided in Articles 3.1 and 3.2, the Preference Shares shall carry no right to participate in the profits or assets of the Company provided that the provisions of this Article 3.2.2 are without prejudice to any other provisions of these Articles (as from time to time altered) as to the redemption and purchase of Shares.

3.3 *Voting and General Meetings*

3.3.1 The Preference Shareholders shall, by virtue of or in respect of their holdings of Preference Shares, have the right to receive notice of each general meeting of the Company but shall not have the right to attend, speak and vote at any such general meeting unless either:

3.3.1.1 at the date of such meeting, the Preference Dividend of such Preference Shares has been in arrears for six months or more after the relevant Dividend Date, in which case such Preference Shareholders shall have the right to attend, speak and vote on any resolution at any such general meeting; or

3.3.1.2 a resolution is to be proposed abrogating, varying or modifying any rights or privileges of or attaching to the Preference Shares or for the winding-up of the Company or the reduction, redemption, repurchase or repayment of its share capital, in which case such Preference Shareholders shall have the right to attend any such general meeting and shall be entitled to speak and vote only on such resolution.

Except as stated in this Article 3.3, the Preference Shares shall not confer on the Preference Shareholders the right to attend, speak or vote at any general meeting of the Company and references in these Articles to "member", "Shareholder" and "holder", in relation to receiving notice of, attending or voting at general meetings of the Company, shall be construed accordingly.

3.3.2 Whenever the Preference Shareholders become entitled in accordance with Article 3.3.1 to vote at a general meeting of the Company, on a show of hands, every Preference Shareholder who is present in person or by proxy or (being a corporation) by a representative shall have one vote and, on a poll, every Preference Shareholder who is present in person or by proxy or (being a corporation) by a representative shall have one vote for every Preference Share registered in the name of such Preference Shareholder.

3.3.3 For the purposes of these Articles, the Preference Shares are deemed not to be voting shares except at any time during which the Preference Shareholders are entitled to vote in respect of them at any general meeting of the Company in accordance with this Article 3.3.

3.4 *Redemption and Purchase*

- 3.4.1 Subject to the provisions of the Act and as the Board shall determine, the Company shall be entitled to redeem all or any (to be selected by drawings) of the Preference Shares at any time after the date of allotment of any of the Preference Shares.
- 3.4.2 In the case of a partial redemption, the Company shall cause any drawing of Preference Shares to be made in the presence of a representative of the Company's auditors at its registered office or at such other place and in such manner as the Board may determine.
- 3.4.3 The Company shall give not less than 28 days' notice in writing to each Preference Shareholder, any of whose Preference Shares have been selected for redemption, of the date fixed by the Company for the redemption of his Preference Shares (the "Redemption Date"), specifying the Preference Shares due for redemption (the "Relevant Shares") and naming the place at which the certificates for the Relevant Shares are to be presented for redemption and at which the redemption monies are to be paid.
- 3.4.4 Unless previously redeemed, the Preference Shares shall be redeemed at par on 31st December, 2008 (which date shall constitute a Redemption Date for the purposes of this Article 3.4) provided that if, in accordance with the Act, any Preference Shares are not capable of being redeemed by the Company on any such date, their redemption shall be effected as soon as reasonably practicable after such Preference Shares become capable of being so redeemed.
- 3.4.5 On the Redemption Date, the Company shall be entitled and bound to redeem the Relevant Shares; and the holders of the Relevant Shares shall be bound to deliver to the Company at the place named in the notice, the certificate (or an indemnity in lieu thereof in a form satisfactory to the Company) for their Relevant Shares and, upon such delivery and against the receipt of the holder (or in the case of joint registered holders, the receipt of any of them) of the Relevant Shares for the redemption monies payable in respect of his shares (which shall constitute an absolute discharge to the Company in respect thereof), the Company shall pay to the holder of the Relevant Shares the redemption monies payable to him in respect of such redemption.
- 3.4.6 In the case of a redemption in full, the Company shall cancel the holder's certificate relating to the Relevant Shares; and in the case of a redemption of part of the Preference Shares included in a certificate, either:
- 3.4.6.1 state the amount and respective redemption date(s) on such certificate; or
- 3.4.6.2 cancel the same and, without charge, issue to the holder of the partially redeemed Preference Shares delivering such certificate to the Company, a fresh

certificate for the balance of the Preference Shares not redeemed on that occasion.

- 3.4.7 If any holder of Relevant Shares shall fail or refuse to deliver up the certificate for his Relevant Shares or to accept the redemption monies payable in respect of them, the Company may retain such redemption monies in trust for such holder (but without interest or (except as provided herein) further obligation whatsoever) until delivery of the certificate or of an indemnity in respect thereof satisfactory to the Company but shall within five Business Days thereafter, pay the redemption monies to such holder of Relevant Shares.
- 3.4.8 There shall be paid on each Relevant Share a sum equal to:
- 3.4.8.1 the capital paid up or credited as paid up thereon (including any premium); and
 - 3.4.8.2 all arrears and accruals (if any) of the Preference Dividend thereon, to be calculated down to and including the Redemption Date relating to such Relevant Share and to be payable irrespective of whether or not such Preference Dividend has been declared or earned or become due and payable.
- 3.4.9 As from the Redemption Date fixed for the Relevant Shares, the Preference Dividend shall cease to accrue on such Relevant Shares unless, on the presentation of the certificate relating thereto, the Company fails to make payment of the money due on such redemption, in which case dividends shall be deemed to have continued and shall continue to accrue from the Redemption Date to the date of payment.
- 3.4.10 Upon the redemption of any Preference Shares pursuant to this Article 3.4, the Board may (pursuant to the authority given by the passing of the resolution to adopt these Articles), consolidate, sub-divide and/or convert the authorised share capital existing as a consequence of such redemption into shares of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of a similar nominal amount (as nearly as may be) as the shares of such class then in issue or into unclassified shares of the same nominal amount as the Preference Shares.
- 3.4.11 For the avoidance of doubt, no Preference Shares shall be redeemed otherwise than out of the Company's distributable profits or the proceeds of a fresh issue of Shares made for the purposes of such redemption, or out of the Company's capital to the extent permitted by the Act.

3.5 *Other Matters*

Notwithstanding any other provision of these Articles, except with the consent or sanction of the Preference Shareholders given in accordance with the provisions of Article 15 (modification of class rights):-

3.5.1 no further Shares ranking with regard to participation in the profits or assets of the Company in priority to or *pari passu* with the Preference Shares shall be created or issued;

3.5.2 no resolution shall be passed whereby the rights attached to the Ordinary Shares shall be modified, varied or abrogated provided that, for the avoidance of doubt, it is hereby declared that any resolution for the disapplication of section 89(1) of the Act shall be deemed not to abrogate, vary or modify such rights;

3.5.3 except:-

3.5.3.1 on or in connection with the redemption or purchase of any Shares or the issue or payment up of any securities by way of capitalisation of profits or reserves (including share premium account and capital redemption reserve); or

3.5.3.2 as authorised by section 146(2) of the Act or, in respect of redeemable shares, by section 159 of the Act,

the Company shall not reduce its share capital or any uncalled liability in respect thereof or (except as authorised by sections 130(2), 160(2) and 170(4) of the Act) any share premium account or capital redemption reserve.

3.6 *Pari passu*

Except as provided in this Article 3, the Shares shall be identical and rank *pari passu*.

4 **Share Issues**

4.1 Unless all the Shareholders agree otherwise in writing, any new Shares issued to a Preference Shareholder will be Preference Shares and any new Shares issued to an Ordinary Shareholder will be Ordinary Shares.

4.2 The ability of the Company to decide which rights can be conferred on Shares under Regulation 2 may also be exercised by the Directors.

4.3 Subject to the provisions of the Act, this Article 4 and any directions which may be given by the Company in general meeting, the Directors are generally and unconditionally authorised pursuant to,

and in accordance with, section 80 of the Act to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) and, without limitation to the foregoing, any Shares unissued at the date of the incorporation of the Company and any Shares or other shares hereafter created shall be under the control, and at the disposal, of the Directors who may allot, grant rights, options or warrants to subscribe for, grant conversion rights in respect of, or otherwise dispose of, them to such persons (including the Directors themselves), at such times and on such terms as they think proper provided that no Shares shall be issued at a discount. The maximum nominal amount of share capital which, or in respect of which, the Directors may allot, grant options, warrants or subscription or conversion rights, create, deal or otherwise dispose of in accordance with this Article 4.3 shall be £500,000 or such other amount as shall be authorised by the Company in general meeting. The authority conferred on the Directors by this Article 4.3 shall expire on the day preceding the fifth anniversary of the date of the adoption of these Articles provided that the Directors may make offers or agreements prior to such date which would or might require the allotment of relevant securities (as defined above) after the expiry of that authority.

- 4.4 Subject to Articles 4.1, 4.5 and 4.7, all unissued Shares (whether forming part of the original or increased capital of the Company) which the Directors propose to offer, allot (with or without conferring rights of renunciation), issue, grant options over or otherwise deal with or dispose of, shall first be offered to the existing Shareholders at such time in proportion to the total number of Shares held by them respectively and at the proposed Issue Price. Each such offer shall be made by notice, specifying the total number of Shares being offered, the proportionate entitlement of the Shareholder to whom the offer is being made and the price per Share and shall require each Shareholder to state in writing within a period (not being less than ten Business Days) specified in the notice whether he is willing to take any and, if so, what number of the said Shares up to his proportionate entitlement.
- 4.5 Shareholders who accept such an offer shall be entitled to indicate that they would accept, on the same terms, Shares (specifying a maximum number) that have not been accepted by other Shareholders ("Excess Shares"). An offer, if not accepted within the period specified with regard to any Shares, will be deemed to be declined and shall be offered in proportion as aforesaid to the persons who have, within the same period, accepted all the Shares offered to them and any Excess Shares shall be allotted to Shareholders who have indicated that they would accept Excess Shares. Excess Shares shall be allotted pro rata to the aggregate number of Shares held by Shareholders accepting Excess Shares provided that no such Shareholder shall be allotted more than the maximum number of Excess Shares that such Shareholder has indicated that he is willing to accept.
- 4.6 Any Shares not accepted pursuant to such offer, not allotted as Excess Shares or not capable of being offered as aforesaid except by way of fractions and any Shares released from the provisions

of this Article by the agreement in writing of all the Shareholders shall be under the control of the Directors who may offer, allot (with or without conferring rights of renunciation), grant options over or otherwise deal with or dispose of them to such persons, at such times and on such terms and conditions as the Directors may decide provided that no Share may be issued on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the Shareholders (if applicable) or at a discount.

4.7 The provisions of Articles 4.1 to 4.6 shall not apply to the issue of any Shares pursuant to the Shareholders Agreement.

4.8 The provisions of sections 89(1) and 90(1) - (6)(inclusive) of the Act do not apply to any allotment of the Company's equity securities (as defined in section 94(2) of the Act).

5 Lien and Forfeiture

5.1 The lien conferred by Regulation 8 attaches to all the Shares, whether fully paid or not, and to all Shares registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Shares or one of two or more joint holders. Regulation 8 is modified accordingly.

5.2 The Directors are not entitled to sell any Preference Shares on which the Company has a lien without the previous written consent of the Ordinary Shareholders. Regulation 9 is modified accordingly.

5.3 The Directors are not entitled to exercise any right of forfeiture in respect of any Preference Shares from time to time or to sell, re-allot or otherwise dispose of any Preference Shares which have from time to time been forfeited without the prior written consent of the Ordinary Shareholders. Regulations 19 and 20 are modified accordingly.

6 Transfers

No transfer of Shares may be registered by the Directors unless the terms of these Articles have been complied with. In order to ensure that a particular transfer of Shares is permitted under these Articles, the Directors may ask the transferor, or the person named as transferee in any transfer lodged for registration, to supply them with any information and evidence they think reasonably necessary or relevant. If satisfactory information or evidence is not supplied within twenty Business Days of being requested, the Directors are entitled to refuse to register the transfer in question.

7 Permitted Transfers

Relations and Trusts

- 7.1 Any Shareholder may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any Shares held by him to a Privileged Relation.
- 7.2 Any Shareholder may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any Shares held by him to trustees to be held on a Family Trust of which he is the settlor.
- 7.3 Where any Shares are held under a Family Trust:-
- 7.3.1 on any change of trustees, those Shares may be transferred to the new trustees of that Family Trust; and
- 7.3.2 those Shares may be transferred at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor.

Intra-Group Transfers

- 7.4 A corporate Shareholder is free to transfer any or all of its Shares to a company within its Group. If the transferee in these circumstances ceases to be a member of the transferor's Group, it must immediately transfer the relevant Shares to a member of the original transferor's Group unless the Board shall otherwise approve (such approval not to be unreasonably withheld or delayed) in which case the transferee may retain such relevant Shares upon the terms set out in these Articles.

Approved Transfers

- 7.5 Despite any other provision in these Articles and if the consent of Shareholders holding at least 75% of the issued Shares is obtained, then a transfer of any Share may be made without restriction as to price or otherwise and any such transfer shall be registered by the Directors.

8 Mandatory Transfers

Family Trusts

- 8.1 If any Shares held under Family Trusts cease to be so held (except as a result of a transfer permitted pursuant to Article 7.3.2) or there are no longer any beneficiaries of the Family Trust other than a charity or charities, a Deemed Transfer Notice (as defined in Article 9.1) is deemed to have been given in respect of the Relevant Shares (as defined in Article 8.2) by the Shareholder of those Relevant Shares.

- 8.2 "Relevant Shares" means and includes the Shares originally transferred to the trustees and any additional Shares issued or transferred to the trustees as a result of their holding the Relevant Shares or any of them.

Insolvency

- 8.3 A person entitled to a Share in consequence of the bankruptcy of a member who is an individual shall be bound at any time, if and when so required in writing by the Directors, to give a Transfer Notice in respect of such Share and the price per Share shall be the Transfer Price as determined in accordance with Article 9.5.

- 8.4 A Shareholder, being a body corporate, which:

8.4.1 has a receiver, manager, administrator or administrative receiver appointed over all or any part of its undertaking or assets; or

8.4.2 enters into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction);

or a person entitled to a Share in consequence of such an event occurring in relation to a Shareholder shall be bound at any time, if and when so required in writing by the Directors, to give a Transfer Notice in respect of such Share and the price per Share shall be the Transfer Price as determined in accordance with Article 9.5.

Deceased Shareholder

- 8.5 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death, the Directors may require the legal personal representatives of such deceased Shareholder either to effect a transfer of such Shares (including for such purpose an election to be registered in respect thereof) which shall be a Permitted Transfer, or to demonstrate to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder, or (failing compliance with either of the foregoing within one month or such longer period as the Directors may allow for the purpose) to give a Transfer Notice in respect of such Shares.

Drag Along

- 8.6 If one or more Shareholders holding at least 75% of the issued Shares (for the purposes of this Article 8, the "Seller") intend to sell all of its or their holding of Shares (or any interest in such Shares) (the Shares to be sold by the Seller being referred to as "Selling Shares") to one or more proposed purchasers who are not Connected Persons nor persons acting in concert with the Seller

(as defined in the City Code on Takeovers and Mergers) (the "Proposed Purchaser") who has made a bona fide offer on arm's length terms for the entire issued share capital of the Company, the Seller shall have the right to give to the Company not less than ten Business Days' advance notice before selling the Selling Shares. That notice (the "Selling Notice") will include details of the Selling Shares and the proposed price for each Selling Share to be paid by the Proposed Purchaser, details of the Proposed Purchaser, the place, date and time of completion of the proposed purchase (being a date not less than ten Business Days from the date of the Selling Notice) ("Completion") and the terms and conditions of the offer which will be extended to the other Shareholders for their Shares (which, for the avoidance of doubt, may differ to those offered to the Seller and may require certain Shareholders to provide warranties to the Proposed Purchaser).

- 8.7 Immediately upon receipt of the Selling Notice, the Company shall give notice in writing (a "Compulsory Sale Notice") to each of the Shareholders (other than the Seller) (the "Other Shareholders"), giving the details contained in the Selling Notice, requiring each of them to sell to the Proposed Purchaser at Completion all of their holdings of Shares on the terms contained in the Selling Notice.
- 8.8 If they give written notice of their intention to do so to the Seller and complete such purchase within ten Business Days of the date of the Selling Notice, the Other Shareholders shall have the right to purchase all of the Selling Shares at the same price per Selling Share as is set out in the Selling Notice.
- 8.9 Provided that no purchase is made pursuant to Article 8.8, each Shareholder who is given a Compulsory Sale Notice shall sell all of his Shares referred to in the Compulsory Sale Notice at the highest price per Selling Share to be sold by the Seller to the Proposed Purchaser on Completion and on the terms set out in the Selling Notice.
- 8.10 If any of the Shareholders (the "Defaulting Shareholder") fails to comply with the terms of a Compulsory Sale Notice given to him, the Company shall be constituted the agent of each Defaulting Shareholder for the sale of his Shares in accordance with the Compulsory Sale Notice (together with all rights then attached thereto) and the Directors may authorise a person to execute and deliver on behalf of each Defaulting Shareholder the necessary transfers and the Company may receive the purchase money in trust for each Defaulting Shareholder and cause the Proposed Purchaser to be registered as the holder of such Shares. The receipt of the Company for the purchase money, pursuant to such transfers, shall constitute a good and valid discharge to the Proposed Purchaser (who shall not be bound to see to the application thereof) and after the Proposed Purchaser has been registered in purported exercise of the aforesaid powers, the validity of the proceedings shall not be questioned by any person. The Company shall not pay the purchase money due to the Defaulting Shareholder until he shall, in respect of the Shares being the subject

of the Compulsory Sale Notice, have delivered his share certificates or a suitable indemnity and the necessary transfers to the Company. No Shareholder shall be required to comply with a Compulsory Sale Notice unless the Seller shall sell the Selling Shares to the Proposed Purchaser on Completion provided that the Seller may withdraw the Selling Notice at any time prior to Completion by giving notice to the Company to that effect whereupon each Compulsory Transfer Notice shall cease to have effect.

8.11 The rights of pre-emption set out in these Articles do not arise on any transfer of Shares made in accordance with a Compulsory Sale Notice.

8.12 As soon as a person, following the issue of a Compulsory Sale Notice, becomes a Shareholder pursuant to the exercise of a pre-existing option to acquire Shares in the Company (a "New Shareholder"), a Compulsory Sale Notice is deemed to have been served on the New Shareholder on the same terms as the previous Compulsory Sale Notice. The New Shareholder will immediately be bound to sell and transfer all the Shares acquired by him to the Proposed Purchaser and the provisions of Articles 8.6 to 8.11 will apply in exactly the same way to the New Shareholder except that completion of the sale of those Shares will take place immediately on the Compulsory Sale Notice being deemed served on the New Shareholder.

9 Pre-emption Rights

9.1 Except as provided in Article 7 and subject as provided in Articles 8, 10, 11 and 12 and subject also to Article 9.3, every Shareholder who wants to transfer any Shares, must give written notice thereof to the Company (a "Transfer Notice"). Where a Transfer Notice is treated as being given, it is referred to as a "Deemed Transfer Notice". The transferor under a Transfer Notice and a Deemed Transfer Notice is referred to as the "Transferor".

9.2 Transfer Notices and Deemed Transfer Notices have the effect of appointing the Company as the agent of the Transferor for the sale of the Shares to be sold (the "Sale Shares").

9.3 If the Transferor is a member of a Group and other members of that Group also hold Shares of the same class as the Sale Shares, then no transfer of the Sale Shares may take place unless all the Shares held by those Group members are transferred at the same time as the transfer of the Sale Shares. In these circumstances, the Shares to be transferred by those members of the Transferor's Group are included in the definition of "Sale Shares". The Transferor will in these circumstances act as the agent for all selling members of his Group.

9.4 A Transfer Notice must specify the class, number and distinguishing number (if any) of the Sale Shares and whether the Transferor has received an offer from a third party for the Sale Shares and, if so, the identity of that third party and the terms offered for the Sale Shares. A Transfer Notice

must be accompanied by the share certificate or certificates (or an indemnity in respect of the Sale Shares reasonably satisfactory to the Company) in respect of the Sale Shares. A Transfer Notice, but not a Deemed Transfer Notice, may state that, unless all the Sale Shares are sold, none of them can be sold (a "Total Transfer Condition"). A Total Transfer Condition is binding on the Company.

Transfer Price

9.5 The price at which the Sale Shares are to be transferred (the "Transfer Price") will be decided by agreement between the Transferor and the Directors but if they fail to agree within twenty Business Days of receipt by the Company of the Transfer Notice or Deemed Transfer Notice, the provisions of Article 9.6 will apply.

9.6 If the Transferor and the Directors fail to agree the Transfer Price, it will be calculated and then certified by the Expert whose decision is final and binding:

9.6.1 on the basis of an arm's length sale of the Sale Shares between a willing seller and a willing buyer as at the date of the Transfer Notice or Deemed Transfer Notice;

9.6.2 taking into account, if relevant, any bona fide offer from any person not being a Shareholder to buy any Shares comprised in, or of the class comprised in, the Transfer Notice or Deemed Transfer Notice;

9.6.3 without any discount or premium by reason of the proportion of the issued share capital of the Company represented by the Sale Shares; and

9.6.4 on the assumption that the Sale Shares are capable of transfer without restriction.

9.7 If any difficulty arises in applying any of the assumptions in Article 9.6, then that difficulty will be resolved by the Expert as he, in his absolute discretion, thinks appropriate.

9.8 If the Expert is asked to certify the Transfer Price, he must deliver his certificate to the Company which shall, as soon as reasonably practicable upon its receipt, provide a copy of it to the Transferor. The Transferor may (within 10 Business Days of receiving his copy of the certificate) by written notice to the Company cancel the Company's authority to sell the Sale Shares unless they are being sold under a Deemed Transfer Notice. Unless otherwise agreed between the Company and the Transferor, the cost of obtaining the certificate is to be met by the Transferor.

Offers – General

9.9 Once the Transfer Price has been determined then, unless the Transferor gives a valid notice of cancellation, the Sale Shares will be offered for sale as set out below.

9.10 The Company will:-

9.10.1 first offer the Sale Shares at the Transfer Price to all the Shareholders (except the Transferor and any members of its Group which hold Shares) pro rata as nearly as may be to the respective numbers of Shares held by those Shareholders. This offer will remain open for acceptance for ten Business Days (the "First Offer Period") and will invite the relevant Shareholders to state in writing the maximum number of Sale Shares offered to them that they wish to buy; and

9.10.2 if any Shares remain unsold at the end of the First Offer Period, such unsold Sale Shares will immediately be offered at the Transfer Price to the Shareholders who have already accepted Sale Shares and, if there is more than one, in proportion as nearly as may be to their existing holding of Shares. This offer will remain open for a further period of ten Business Days and after the end of that further period, the Company will continue to make offers on the same terms while any Shareholder continues to state in writing his willingness to buy all the Shares offered to him.

9.11 If the Company finds a buyer for all or any of the Sale Shares, the Transferor must, upon receipt of the Transfer Price, transfer the Sale Shares (or as many of the Sale Shares as the Company has found a buyer for) to that buyer. If the Transferor fails to carry out the sale, the Company may authorise another person to execute a transfer of the Sale Shares to the buyer and the Company may give a good receipt for the Transfer Price, register the buyer as the holder of the Sale Shares and issue to it certificates for such Sale Shares. At that point, the buyer becomes entitled to the Sale Shares.

9.12 The Company will hold any monies received for the Sale Shares in a separate bank account as trustee for the Transferor. The Company will pay all such money to the Transferor as soon as reasonably practicable after a demand for it has been made upon the Company by the Transferor. The Company shall have no liability to pay or account for any interest on any such monies.

Transfers Free of Pre-emption

9.13 If the Company fails, within ninety days of the service of the final offer by the Company under Article 9.10, to find Shareholders willing to buy all of the Sale Shares or if through no default of the Transferor (a withdrawal of the Transfer Notice by the Transferor pursuant to Article 9.8 not being a default for this purpose), the purchase of any of the Sale Shares is not completed within twenty Business Days of the due date for completion, the Transferor is free at any time within six months of the end of these periods to transfer any of the Sale Shares which were not accepted or in respect of which the sale was not completed, to any person he may wish provided that:-

- 9.13.1 any such person has been approved by the Board (such approval not to be unreasonably withheld or delayed);
- 9.13.2 the sale is completed at the Transfer Price or any higher or (subject as provided in Article 9.13.4 below) lower price and the terms of payment of the purchase price are no more favourable to the buyer than those rejected by the existing Shareholders;
- 9.13.3 the Transferor sends a copy of the terms of such sale to the Company within fifteen Business Days of the sale; and
- 9.13.4 no Sale Shares may be sold at a lower price than the Transfer Price without the Transferor first serving a further Transfer Notice on the Company, stating such lower price; and the provisions of Article 9.10 will apply to this further Transfer Notice except that the period of acceptance will be five Business Days instead of ten Business Days and the Transfer Price will be that lower price. However, if the Sale Shares were the subject of a Total Transfer Condition, the sale may only be made of all the Sale Shares and not part only.

10 Leavers

- 10.1 Subject to Article 10.2, if a Relevant Leaver (as defined in Article 10.2.1) ceases to be a Director or an employee or consultant of or to the Company or any Subsidiary of the Company (as the case may be), a Transfer Notice in accordance with Article 9.1 shall be deemed to have been given in respect of a Relevant Proportion (as defined in Article 10.2.3) of the Shares held by such Relevant Leaver and by any person being a Permitted Transferee of such Relevant Leaver on the Relevant Date (as defined in Article 10.2.2); and the Transfer Price in respect of such Leaver Shares shall be a sum per Share equal to the Relevant Price (as determined in accordance with Article 10.2.5) Provided that this Article 10.1 shall not apply to any Executive or Director whose Directorship, employment or consultancy with the Company or any Subsidiary of the Company (as the case may be) is, upon its cessation or termination, replaced or superseded by a directorship, contract of employment or consultancy agreement with the Company or any Subsidiary of the Company, whether on similar or different terms.

10.2 For the purposes of Article 10.1:

- 10.2.1 "Relevant Leaver" means a Leaver ceasing to be a Director or employee or consultant of or to the Company or any Subsidiary of the Company (as the case may be) in circumstances where he:-

- 10.2.1.1 has committed a material breach of any of his duties, obligations or responsibilities to the Company or its Subsidiaries (if any), whether under his

consultancy, service or other relevant agreement with the Company or any such Subsidiary, or as Director, and fails to remedy such breach within 30 days after being required in writing to do so provided that, for the avoidance of doubt, a Leaver shall not be regarded as having committed any such breach solely by reason of his death or permanent physical incapacity;

10.2.1.2 is guilty of any fraud or dishonesty;

10.2.1.3 becomes of unsound mind or a patient within any statute relating to mental health;

10.2.1.4 has been convicted of any criminal offence (other than under road traffic legislation for which he is not sentenced to any term of imprisonment, whether immediate or suspended); or is disqualified from acting as a company director under the Company Directors Disqualification Act 1986 or any other enactment;

10.2.1.5 is guilty of conduct which may, in the reasonable opinion of the Board, bring the Leaver, the Company or its Subsidiaries (if any) into disrepute; or

10.2.1.6 becomes bankrupt or has an interim order made against him under the Insolvency Act 1986 or makes any arrangement with his creditors generally.

10.2.2 "Relevant Date" means the date on which the Relevant Leaver ceases to be either a Director or an employee or consultant of or to the Company or any Subsidiary of the Company (as the case may be);

10.2.3 "Relevant Proportion" means all the Leaver Shares held by the Relevant Leaver and by any person being a Permitted Transferee of such Relevant Leaver on the Relevant Date less 8.33% of such Leaver Shares (rounded down to the nearest whole number) for each complete calendar quarter of the period of such Relevant Leaver's service with the Company or any of its Subsidiaries (as the case may be), such period commencing on the date (the "Commencement Date") on which the Relevant Leaver first became a Director or employee or consultant of or to the Company or any Subsidiary of the Company (as the case may be) and expiring on the Relevant Date;

10.2.4 In the event that a Relevant Leaver fails to comply with the provisions of Article 10.1 and refuses to co-operate with the transfer of Leaver Shares as directed, the chairman for the time being of the Company (or failing him, one of the Directors or some other person duly nominated by a resolution of the Board for that purpose) shall be deemed to be the duly appointed attorney of such Relevant Leaver with full power to execute, complete and

deliver in the name of and on behalf of such Relevant Leaver a transfer of the relevant Leaver Shares to the specified purchaser. The Directors may receive and give a good discharge for the Transfer Price (as calculated in accordance with the provisions of this Article 10) on behalf of the Relevant Leaver and (subject to the transfer being duly stamped) enter the name of the purchaser in the register of members as the holder by transfer of the Leaver Shares so purchased. The Directors shall hold such money in trust for the Relevant Leaver until he delivers up his certificate for the relevant Leaver Shares to the Company (or an indemnity in respect of the Leaver Shares reasonably satisfactory to the Board) at which time he shall be paid the purchase money. The Company shall have no liability to pay or account for any interest on any such monies.

10.2.5 "Relevant Price" of a Leaver Share means:

10.2.5.1 if the Relevant Date is on or before the first anniversary of the Commencement Date, the lesser of the fair value of such Leaver Share ("Fair Value") (which shall be determined by the Expert in the same manner and on the same assumptions as are set out in Article 9.6) on the Relevant Date and the nominal value of such Leaver Share;

10.2.5.2 if the Relevant Date is after the first anniversary of the Commencement Date but on or before the second anniversary thereof, 12.5% of the Fair Value on the Relevant Date for each complete calendar quarter of the period of such Relevant Leaver's service with the Company or any of its Subsidiaries (as the case may be) from the Commencement Date and expiring on the Relevant Date ; or

10.2.5.3 if the Relevant Date is after the second anniversary of the Commencement Date, the Fair Value on the Relevant Date.

10.3 The costs of the Expert in determining the Fair Value for the purposes of this Article 10 shall be borne solely by the Relevant Leaver.

10.4 If the Expert is asked to certify the Fair Value, his certificate shall be delivered forthwith to the Company. As soon as reasonably practicable after the Company receives the certificate, it shall deliver a copy of it to the Leaver or Transferor as the case may be.

11 Compliance

11.1 For the purpose of ensuring compliance with the transfer provisions of these Articles, the Board may require any Leaver or other Shareholder to procure that:-

11.1.1 he; or

11.1.2 any proposed transferee; or

11.1.3 (to the extent that he is reasonably able to do so) such other person as is reasonably believed by the Board to have information and/or evidence relevant to such purpose;

provides to the Company any information and/or evidence relevant to such purpose and until such information and/or evidence is provided to the Board's satisfaction, the Board shall refuse to register any relevant transfer.

11.2 Each Shareholder hereby irrevocably appoints the Company as his attorney (with the power to appoint any member of the Board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had originally been appointed as his attorney) to give effect to the provisions of these Articles.

12 **Tag Along**

12.1 Subject to Article 12.4, no sale or transfer (whether by one or a series of transfers) of any Shares ("Specified Shares") which amount in total to 50% or more of the Shares in issue or which result in the transferee (and its Connected Persons or any persons acting in concert (as defined in the City Code on Takeovers and Mergers) with such transferee) holding more than 50% of the Company's issued share capital may be made or registered without the prior consent of the other Shareholders unless, prior to such sale or transfer being made, the proposed transferee has irrevocably and unconditionally offered to buy all of the other Shareholders' Shares at the Specified Price (as defined in Article 12.2) on exactly the same terms as have been offered for the Specified Shares.

12.2 The "Specified Price" means a consideration for each of the other Shareholders' Shares at least equal to the total amount offered, paid or payable by the proposed transferee for each of the Specified Shares.

12.3 For the purposes of Article 12.2, the consideration payable for the Specified Shares will include any amount 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 price paid or payable for each of the Specified Shares. If there is any disagreement as to the Specified Price, its calculation will be referred to an Expert within five Business Days of the dispute arising. The Expert's decision as to the Specified Price will be final and binding. The relevant parties will give all reasonable assistance to the Expert in verifying the Specified Price including the disclosure of all relevant documentation containing the terms of the transaction between the Shareholder wishing to sell the Specified Shares and the proposed transferee.

13 **Annual General Meetings**

- 13.1 The Board shall procure that the annual general meeting of the Company in respect of each of its financial years shall be convened to take place not later than 30 Business Days after the date of the auditors' report relating to the Company's accounts for the relevant financial year.
- 13.2 The Board shall cause to be laid before each annual general meeting the Company's audited accounts for the relevant financial year, together with the respective reports thereon of the Directors and the auditors.

14 **Proceedings of Shareholders**

- 14.1 No business shall be transacted at any general meeting of the Company unless a quorum of Shareholders is present at the time when the meeting proceeds to business and, subject to Article 14.2, for its duration. Three persons entitled to vote upon the business to be transacted, each being a Shareholder, a proxy for a Shareholder or a duly authorised representative of a corporation, shall be a quorum.
- 14.2 If, within half an hour from the time appointed for the meeting, a quorum is not present, or if during a meeting a quorum ceases to be present for a period exceeding 10 minutes, the meeting shall stand adjourned to the same day in the following week, at the same time and place or such other time and place as the Shareholders present may decide; and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Shareholder or Shareholders present shall constitute a quorum. Business transacted with only one Shareholder present in accordance with this Article 14.2 will be deemed for all purposes to constitute business transacted at a meeting and a resolution will be valid as if passed by a majority vote
- 14.3 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 Board) must be delivered to the registered office of the Company not less than 24 hours before the time appointed for the holding of the meeting or to the place of the meeting at any time before the time appointed for the holding of the meeting and Regulation 62 shall be modified accordingly.
- 14.4 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded at any general meeting by the chairman, by any Shareholder present in person or by proxy and entitled to vote, or by a duly authorised representative of a corporation which is a Shareholder entitled to vote.
- 14.5 When a poll has been demanded, it shall be taken immediately following the demand.

14.6 The chairman of the meeting shall not, in the case of an equality of votes, whether on a show of hands or on a poll, be entitled to exercise a second or casting vote.

14.7 A written resolution in accordance with Regulation 53 is deemed to have been properly executed on behalf of a corporation if it is signed by one of its directors or its company secretary. In the case of a Share held by joint holders, the signature of any one of them on behalf of all the joint holders is sufficient for the purposes of Regulation 53. A Director or the Company Secretary must sign each written resolution. At or before the time that the written resolution is supplied to Shareholders, the Directors and company secretary must send a copy of that resolution to the auditors of the Company notifying them of its contents.

15 **Class Rights**

All or any of the special rights for the time being attached to the Shares of any class may, either with the prior written approval of the holders of not less than 75 per cent. in nominal value of the Shares of that class or with the sanction of an extraordinary resolution passed at a meeting of holders of Shares of that class duly convened and held in accordance with these Articles, be varied or abrogated. The provisions of these Articles relating to general meetings of the Company or the proceedings at such meetings shall, with the necessary changes being made, apply to every separate meeting of the holders of any class of shares of the Company except that the necessary quorum shall be two persons holding shares of the relevant class, present in person or by proxy, and that any shareholder of the relevant class, present in person or by proxy, may demand a poll.

16 **Directors**

16.1 The number of Directors shall not be more than five.

16.2 The Shareholders have the right to remove any Director. Every appointment and removal of Directors must be by written notice:-

16.2.1 deposited at the Company's registered office; or

16.2.2 delivered at a Board meeting; or

16.2.3 delivered to the chairman at a general meeting of the Company (unless the notice relates to the chairman); or

16.2.4 delivered to the company secretary.

16.3 The Directors present at any meeting of the Board or committee of the Board are entitled to appoint a Director who is present and willing to so act to serve as chairman of any such meeting.

17 **Alternate Directors**

- 17.1 A Director (other than an alternate Director) may appoint any other person approved by the Board to be an alternate Director and may remove from office an alternate Director so appointed.
- 17.2 A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum.
- 17.3 Any Director who is appointed an alternate Director shall be entitled to vote at a meeting of the Board on behalf of the Director so appointing him in addition to being entitled to vote in his own capacity as a Director and shall also be considered as two Directors for the purpose of constituting a quorum for Board meetings unless he is the only individual present.

18 **Proceedings of Directors**

- 18.1 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings at they think fit. Three Directors shall constitute a quorum for such Board meetings and a quorum of Directors must be present throughout all such meetings. Matters for decision by the Board will be decided by simple majority vote. Each Director has one vote. The chairman of the Board meeting shall not have a second or casting vote, whether in the case of an equality of votes or otherwise.
- 18.2 A resolution which has been agreed upon by at least three Directors entitled to receive notice of a meeting of the Directors or of a committee of the Directors will be valid and effectual as if it had been passed at a meeting of the Directors or, as the case may be, at a committee of the Directors duly convened and held, and for this purpose:-
- 18.2.1 a resolution to which an alternate Director has agreed need not also be agreed by his appointor; and
- 18.2.2 a resolution to which a Director who has appointed an alternate has agreed need not also be agreed by the alternate Director in that capacity.
- 18.3 Any Director or alternate Director may validly participate in a meeting of the Board through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at such meeting notwithstanding that a quorum of Directors is not physically present in the same place. Such a meeting shall be deemed to

take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting is situated.

19 Retirement by Rotation

The Directors shall not be liable to retire by rotation and the words “by rotation or otherwise” and “and deemed to have been reappointed” in Regulation 67, “other than a director retiring by rotation” in Regulation 76, “(other than a director retiring by rotation at the meeting)” in Regulation 77, “and may also determine the rotation in which any additional directors are to retire” in Regulation 78, the last two sentences of Regulation 79 and the last sentence of Regulation 84 shall not apply to the Company.

20 Borrowing Powers

Subject as provided in the Shareholders Agreement, the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital, and, subject to the Act, to issue debentures and other securities (whether outright or as collateral security) for any debt, liability or obligation of the Company or any third party.

21 Powers and Duties of Directors

Contracts in which Directors are interested

21.1 Subject to the Act, a Director may be interested directly or indirectly in any contract or arrangement, or in any proposed contract or arrangement, with the Company or with any other company in which the Company may be interested. A Director may keep all profits and benefits he may receive as a result of that interest. Regulation 94 is modified accordingly.

21.2 For the purposes of Article 21.1:-

21.2.1 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested is deemed to be a disclosure that such Director has an interest in any such transaction of the nature and extent so specified;

21.2.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge is not to be treated as an interest of his; and

21.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a Director is to be treated as an interest of the Director and in relation to an alternate Director, an

interest of his appointor is to be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director might otherwise have.

21.3 A Director may hold and be paid for any office or position in the Company or any of its Subsidiaries provided that he cannot be the auditor of the Company or any of its Subsidiaries.

21.4 A Director may act in a professional capacity for the Company or any of its Subsidiaries either alone or through his firm. He and his firm may be remunerated for professional services as though he were not a Director.

21.5 Even if a Director is interested within the terms of Article 21.1, he may vote on that matter and be included in the quorum at the meeting at which that matter is considered.

22 Committees

The Directors may delegate any of their powers, authorities and discretions for such time and on such terms and conditions as they think fit to any committee consisting of one or more Directors and (if thought fit) one or more other persons (but so that the number of such other persons is less than half of the total number of members of any committee). Where a provision of the Articles refers to the exercise of a power, authority or discretion by the Board and that power, authority or discretion has been delegated by the Board to a committee, the provisions shall be construed as permitting the exercise of the power, authority or discretion by the committee.

23 Indemnity

Subject to the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

24 Insurance

The Board shall have the power to purchase and maintain for any Director or other officer insurance (including, without limitation, directors and officers' insurance) against any liability which, by virtue of any rule of law, would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.