

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

OF

GALMARLEY LIMITED (the "Company")

PROPOSED BY THE SOLE DIRECTOR OF THE COMPANY (the "Director") IN
ACCORDANCE WITH SECTION 291 OF THE COMPANIES ACT 2006

17 JUNE 2010

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the sole director of the Company (the "**Director**") proposes that the following resolutions (the "**Resolutions**") are passed in connection with the proposed investment by WGC Holdings and Augmentum I LP (together, the "**Investors**") in the Company (the "**Proposed Transaction**")

ORDINARY RESOLUTIONS

THAT

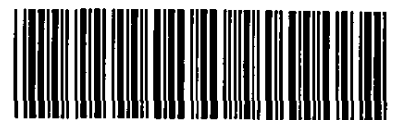
- (A) any direct or indirect interest of the Director in the Proposed Transaction or in the associated documents which conflicts, or may conflict, with the interests of the Company in the Proposed Transaction be and is hereby authorised,
- (B) the Director be given the power to allot ordinary shares of £1 in the Company or to grant rights to subscribe for such shares in the Company under section 550 of the Companies Act 2006,

SPECIAL RESOLUTIONS

- (C) the provisions of regulations 94 and 95 of Table A (as such term is defined in the Company's articles of association) which would otherwise apply to the Company under its existing articles of association are hereby generally disapplied,
- (D) in accordance with section 569 of the Companies Act 2006, the Director be generally empowered to allot 31,976 ordinary shares of £1 each to the Investors as if section 561 of the Act did not apply to such allotment,
- (E) the articles of association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's articles of association, and

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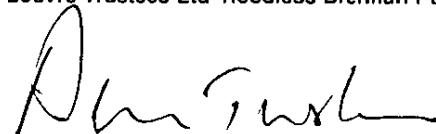
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- (F) the regulations appended at Appendix 1 and marked "A" for the purposes of identification be approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions

Signed by **PAUL GERARD TUSTAIN** as shareholder and as attorney of the following persons pursuant to the powers of attorney listed below being persons entitled to vote on the Resolutions on the Circulation Date and irrevocably agreeing to the Resolutions

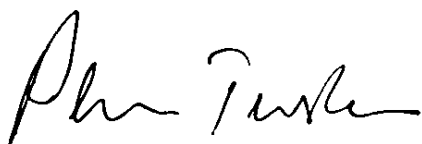
Frederick Charles Peel pursuant to a power of attorney dated 9 June 2010,
Gregory James Tustain pursuant to a power of attorney dated 4 June 2010,
Hannah Louise Betts pursuant to a power of attorney dated 7 June 2010,
Helen Mary Baron pursuant to a power of attorney dated 5 June 2010,
Alex Edwards pursuant to a power of attorney dated 11 June 2010,
Kris Andrew Jenkins pursuant to a power of attorney dated 3 June 2010,
Alan Finn pursuant to a power of attorney dated 3 June 2010,
Alexander Edwards pursuant to a power of attorney dated 11 June 2010,
Andrew John Betts pursuant to a power of attorney dated 7 June 2010,
David John Fiddes pursuant to a power of attorney dated 9 June 2010,
Gavin Brooking pursuant to a power of attorney dated 6 June 2010,
Henry Summers pursuant to a power of attorney dated 4 June 2010,
Jared Manley pursuant to a power of attorney dated 3 June 2010,
Justine Kershaw-Tustain pursuant to a power of attorney dated 7 June 2010,
Luke A L Gatehouse pursuant to a power of attorney dated 4 June 2010,
Mark Teideman pursuant to a power of attorney dated 6 June 2010,
Jennifer Alkins pursuant to a power of attorney dated 14 June 2010,
Mary Colomb Bonham-Carter pursuant to a power of attorney dated 2 June 2010,
Matthew Studley pursuant to a power of attorney dated 6 June 2010,
James Coghlan pursuant to a power of attorney dated 7 June 2010,
Osman Ahmed pursuant to a power of attorney dated 9 June 2010,
Ralph Congreve pursuant to a power of attorney dated 9 June 2010,
Simon William Waterfield pursuant to a power of attorney dated 3 June 2010,
Richard John King pursuant to a power of attorney dated 4 June 2010,
Robert Markwick pursuant to a power of attorney dated 15 June 2010,
Simon Pentz pursuant to a power of attorney dated 10 June 2010,
Thierry Emmanuel Frederick de Roland Peel pursuant to a power of attorney dated 3 June 2010,
Timothy John Bonham-Carter pursuant to a power of attorney dated 2 June 2010,
Zoe Elysa Edwards pursuant to a power of attorney dated 11 June 2010,
Damian William Samuel Montagu pursuant to a power of attorney dated 14 June 2010,
John Patrick Brennan pursuant to a power of attorney dated 7 June 2010,
David Whitehouse pursuant to a power of attorney dated 7 June 2010,
Andrew Black pursuant to a power of attorney dated 7 June 2010, *MNE, SRS, SM*
John Hunt Mathisen pursuant to a power of attorney dated 4 June 2010,
Hugo Van Vredenburg pursuant to a power of attorney dated 11 June 2010,
Sandra Burton pursuant to a power of attorney dated 8 June 2010,
Oliver Burton pursuant to a power of attorney dated 8 June 2010,
Gregory Lockwood pursuant to a power of attorney dated 14 June 2010,
Paul Stephen Beardsell pursuant to a power of attorney dated 14 June 2010, *MNE, SRS, SM*
David Walker pursuant to a power of attorney dated 3 June 2010,
David Somers pursuant to a power of attorney dated 6 June 2010,
Maureen Somers pursuant to a power of attorney dated 6 June 2010,
Andrin Bachman pursuant to a power of attorney dated 14 June 2010,
Andrew C Fitton pursuant to a power of attorney dated 10 June 2010,
Olivia Burton pursuant to a power of attorney dated 8 June 2010,
Louise Brooking pursuant to a power of attorney dated 8 June 2010,
Lesley Teideman pursuant to a power of attorney dated 6 June 2010,
Andrew John Betts watj a/c pursuant to a power of attorney dated 7 June 2010, and
Louvre Trustees Ltd Hoodless Brennan Ptns Ebt S/T 5 pursuant to a power of attorney dated 7 June 2010


(Signature of attorney)


Name

~~LEONARD TAILOR~~ PAUL TUSTAIN

Date 17/JUNE/2010



(Signature of Paul Gerard Tustain as shareholder)

PAUL TUSTAIN

Name

19 / JUNE / 2010

Date

NOTES

- The circulation date of the Resolutions is 17/06/2010 (the "Circulation Date")
- The period for agreeing to the Resolutions is the period of 28 days beginning with the Circulation Date, which is 17/06/2010
- If you agree with the Resolutions, please indicate your agreement by signing and dating this document and returning the signed version to the Company at the following address

**Galmarley Limited
Brook House
229-243 Shepherd's Bush Road
London
W6 7AN**

- Unless, by 28 days after the Circulation Date (that is, 2010) , sufficient agreement has been received for the Resolutions to pass, it will lapse If you agree to the Resolutions, please ensure that your agreement reaches us before or on this date
- In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company Seniority is determined by the order in which the names of the joint holders appear in the register of members

17 JUNE 2010

GALMARLEY LIMITED

ARTICLES OF ASSOCIATION

(Adopted by special resolution passed on 17 JUNE 2010)

McDERMOTT WILL & EMERY UK LLP
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Agreed terms

1. Interpretation

1.1 In these Articles, the following words have the following meanings

Act: means the Companies Act 2006,

Appointor: has the meaning given in Article 12.1,

Articles: means the Company's articles of association for the time being in force,

Board means the board of directors of the Company from time to time,

Business Day: means a day, except a Saturday or Sunday, on which banks in the City of London are open for business generally,

Called Shares has the meaning given to it in Article 17.2.1,

Company: means Galmarley Limited,

Conflict: has the meaning given in Article 9.1,

Connected Transferee: has the meaning given in article 18.1,

Controlling Interest: means any interest in Shares of the Company representing in excess of 34.9 per cent of the issued share capital in the Company (assuming for this purpose that all holders of options to acquire shares under any employee option scheme or any other option scheme have exercised their options in full),

Drag Along Option: has the meaning given to it in Article 17.1,

Drag Along Notice has the meaning given to it in Article 17.2.

Drag Price: means the price per Share equal to the value of the consideration payable by a Third Party Purchaser in respect of an offer to purchase Shares under Article 17.2.3.

Eligible Director: means, in respect of any matter, a director who would be entitled to vote on that matter at a meeting of directors,

Equity Securities: has the meaning given to it in Section 560(1) of the Act

Excess Securities: has the meaning given to it in Article 13.3.2.

Group: means, in respect of a Shareholder, that Shareholder and its connected persons.

Interested Director: has the meaning given in Article 9.1.

Model Articles: means the model articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles

Offer: has the meaning given to it in Article 16 1,

Offer Notice has the meaning given in Article 16 4,

Original Shareholder: means a Shareholder who transfers his Shares to a Connected Transferee in accordance with Article 18 1,

Permitted Transfer: a transfer of Shares in accordance with Article 18,

Proportionate Shares means in respect of any Shareholder, a number of Shares equal to $A \times B$, where (i) A means the number of Shares held by that Shareholder, and (ii) B means the Relevant Percentage,

Proposed Transfer: has the meaning given in Article 16 1,

Relevant Percentage: means A/B expressed as a percentage, where (i) A equals to the number of Shares proposed to be sold by a proposed transferor under a Proposed Transfer; and (ii) B equals the number of Shares held by that proposed transferor at that time,

Sale Shares means, in respect of a Transfer Notice, the shares specified or deemed to be specified for sale in that Transfer Notice,

Seller means the transferor of shares pursuant to a Transfer Notice,

Selling Shareholders has the meaning given to in Article 17 1 2,

Share: an ordinary share of £1 in the capital of the Company,

Shareholder: means a person who is a holder of a share,

Substantial Shareholder: has the meaning given to it in Article 16 1,

Tag Price has the meaning given to it in Article 16 3,

Transfer Notice: a notice in writing given by any Shareholder to the Company where that Shareholder desires, or is required by these Articles, to transfer (or enter into an agreement to transfer) any Shares, and

Writing or written: 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

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company
- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

- 1 4 A reference in these Articles to an "Article" is a reference to the relevant Article of these Articles unless expressly provided otherwise
- 1 5 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 6 A person shall be deemed to be connected with another if that person is connected with that other within the meaning of section 1122 and 1123 of the Corporation Tax Act 2010
- 1 7 A person shall be deemed to be acting in concert with another if that person is a concert party with that other as defined in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time)
-
- 1 8 Save as expressly provided otherwise in these Articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force
- 1 9 Unless the context otherwise requires, words denoting the singular include the plural and vice versa

2. Adoption of the Model Articles

- 2 1 The Model Articles shall 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, shall 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. A copy of the Model Articles is set out in the Schedule to these Articles
- 2 2 Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 36, 39, 43, 44(2), 49 and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company
- 2 3 Article 9(3) shall be amended by the deletion of the words "but need not be in writing"
- 2 4 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur"
- 2 5 In Article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity and the payment of reasonable expenses"
- 2 6 Article 29 of the Model Articles shall be amended by the insertion of the words "or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2), " after the words "the transmittee's name"

- 2 7 Articles 31(1)(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"
- 2 8 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Article
- 2 9 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate"
- 2 10 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that Article

DIRECTORS

3. Directors' meetings

- 3 1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with Article 4
- 3 2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit
- 3 3 The Company shall hold at least one meeting of the Board every six weeks
- 3 4 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors shall be decided by a majority of votes cast. Each director shall have one vote. In the case of an equality of votes, the chairman shall not have a casting vote.
- 3 5 Any one or more directors may participate in and vote at meetings of the Board by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to communicate to the others any information or opinions they have on any particular item of business of the meeting. Any director so participating in a meeting shall be deemed to be present in person and shall count towards the quorum

4. Unanimous decisions of directors

- 4 1 A decision of the directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter

4 2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing

4 3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter in accordance with Article 7

5. **Number of directors**

5 1 The number of directors shall not be less than four. No shareholding qualification for directors shall be required.

6. **Calling a directors' meeting**

6 1 The Company shall give to each member of the Board not less than five Business Days (or such shorter period as may be consented to in writing by all of the directors) prior notice of a meeting of the Board and the notice shall specify the business to be transacted at the meeting and be accompanied by an agenda and a board paper setting out in such reasonable detail as may be practicable in the circumstances the subject matter of the meeting

7. **Quorum of directors' meetings**

7 1 A quorum shall exist at any meeting of the Board if a majority of members of the Board (or their alternates) are in attendance. If a quorum is not present at a meeting of the Board any director may require that the meeting be reconvened. At least five Business Days' notice of the reconvened meeting shall be given to each director

8. **Chairing of directors' meetings**

8 1 The Board may nominate any director of the Company to act as chairman. The chairman shall preside at any Board meeting. If the chairman for the time being is unable to attend any meeting of the board of directors, the Shareholder who appointed him shall be entitled to appoint another of its nominated directors to act as chairman at the meeting. Where such shareholder has no other nominated director, the directors present may appoint one of their number to act as chairman at that meeting

9. **Directors' interests**

9 1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (the "Interested Director") breaching his duty under section 175 of the Act to avoid conflicts of interest ("Conflict")

9 2 Any authorisation under this Article will be effective only if

9 2 1 to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine.

- 9 2 2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
- 9 2 3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted
- 9 3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently)
 - 9 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
 - 9 3 2 provide that the Interested Director be excluded from the receipt of information, the participation in discussions and/or the making of decisions (whether at meetings of the directors or otherwise) related to the Conflict, ~~—~~
 - 9 3 3 provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
 - 9 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
 - 9 3 5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence, and
 - 9 3 6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters
- 9 4 Where the directors authorise a Conflict the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict
- 9 5 The directors may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation
- 9 6 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in the Shareholder who appointed him as a director of the Company or any other member of such Shareholder's Group, and no authorisation under Article 9 1 shall be necessary in respect of any such interest
- 9 7 A director is not required, by reason of being a director or of the fiduciary relationship thereby established to account to the Company or the Shareholders for any remuneration profit or other benefit which he derives from or in connection with a

relationship involving a Conflict authorised under these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

9 8 Subject to the requirements of all applicable laws and regulations, each director (and his alternate, if any) shall be entitled to pass to its appointor full details of any information concerning the Company and/or its business which may come into his possession as director.

9 9 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act

9 10 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 9 9

9 11 Subject, where applicable, to any terms and conditions imposed by the directors in accordance with Article 9 3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

9.11 1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested,

9 11 2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested.

9 11 3 shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested.

9 11 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director.

9 11 5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested and

- 9 11 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

10. Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form so that they may be read with the naked eye

11. Appointment and removal of directors

- 11 1 No director shall be appointed to the Board otherwise than in accordance with Articles 11 2 and 11 3

- 11 2 Each Shareholder shall

11 2 1 for so long as its Group holds Shares representing at least five per cent but less than thirty per cent of the issued share capital of the Company, be entitled to appoint a director of the Company;

11 2 2 for so long as its Group holds Shares representing at least thirty per cent but less than fifty per cent of the issued share capital of the Company, be entitled to appoint two directors of the Company, and

11 2 3 for so long as its Group holds Shares representing at least fifty per cent of the issued share capital of the Company, be entitled to appoint a majority of directors to the Board

- 11 3 While the Board consists of four directors appointed pursuant to Article 11 2, any three directors may propose the appointment of one non-executive director (who is not connected to any Shareholder or any director) and such proposed appointee shall be appointed by the Shareholders upon the passing of an ordinary resolution

- 11 4 No fees shall be paid by the Company to any director (other than the non-executive director, if any) by reason of such directorship. The fee that may be paid by the Company to any non-executive director appointed under Article 11 3 shall be limited to £20,000

- 11 5 The directors (and their alternates, if any) shall be entitled to reimbursement by the Company of all reasonable travel and out of pocket expenses incurred in connection with attending meetings of the Board and acting on the Company's business

- 11 6 Any appointment or removal of a director pursuant to this Article shall be in writing and signed by or on behalf of the relevant Shareholder and served on the Company at its registered office marked for the attention of the Board or delivered to a duly constituted meeting of the directors of the Company. Any such appointment or

removal shall take effect when received by the Company or at such later time as shall be specified in such notice.

11 7 If at any time a Shareholder, by reason of a diminution of its holding of Shares, is no longer entitled under Article 11 2 to appoint a director (or multiple directors, as the case may be), that Shareholder shall procure that the director (or directors, as the case may be) appointed by it under Article 11 2 shall immediately vacate office

11 8 Any Shareholder who removes a director from office, or whose appointee vacates office as a director, shall indemnify each other Shareholder and the Company against any claim, whether for compensation for loss of office, wrongful dismissal or otherwise, which arises out of that director ceasing to hold office

11 9 A person ceases to be a director as soon as

11 9 1 he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director, or

11 9 2 a bankruptcy order is made against him or he makes any arrangement or composition with his creditors generally in satisfaction of his debts; or

11 9 3 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

11 9 4 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, or

11 9 5 he is removed from office under Section 168 of the Act or by ordinary resolution of the Company

12. Alternate directors

12 1 Any director (other than an alternate director) appointed under Article 11 2 (the "Appointor") may appoint any person (whether or not a director) to be an alternate director to exercise that director's powers, and carry out that director's responsibilities, in relation to the taking of decisions by the directors, in the absence of the alternate's Appointor

12 2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the Appointor or in any other manner approved by the directors

12 3 The notice must

12 3 1 identify the proposed alternate, and

12 3 2 in the case of a notice of appointment contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice

12.4 An alternate director has the same rights, in relation to any directors' meeting, as the alternate's Appointor

12.5 Except as the Articles specify otherwise, alternate directors

12.5.1 are deemed for all purposes to be directors,

12.5.2 are liable for their own acts and omissions

12.5.3 are subject to the same restrictions as the Appointor, and

12.5.4 are not deemed to be agents of or for the Appointor

and, in particular (without limitation), each alternate director shall be entitled to ~~receive notice of all meetings of directors and of all meetings of committees of~~ directors of which his Appointor is a member

12.6 A person who is an alternate director but not a director

12.6.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating), and

12.6.2 may sign or otherwise indicate his agreement to a written resolution (but only if it is not signed or to be signed or otherwise agreed by his Appointor)

No alternate may be counted as more than one director for such purposes

12.7 A director who is also an alternate director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the directors

12.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director

12.9 An alternate director's appointment as an alternate terminates

12.9.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

12.9.2 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, or

12.9.3 on the death of the alternate's Appointor, or

12.9.4 when the alternate director's Appointor ceases to be a director for whatever reason

SHARES AND SHARE TRANSFERS

13. Unissued Shares

- 13 1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the Shareholders, the directors shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares
- 13 2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of Equity Securities made by the Company
- 13 3 Unless otherwise agreed by special resolution, if the Company proposes to allot any Equity Securities (other than any Equity Securities to be held under an employees' share scheme); those Equity Securities shall not be allotted to any person unless the Company has first offered them to all Shareholders on the date of the offer on the same terms, and at the same price, as those Equity Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as possible without involving fractions) The offer
- 13 3 1 shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant Equity Securities, and
- 13 3 2 may stipulate that any Shareholder who wishes to subscribe for a number of Equity Securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess Equity Securities ("Excess Securities") for which he wishes to subscribe
- 13 4 Any Equity Securities not accepted by Shareholders pursuant to the offer made to them in accordance with Article 13 3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 13 3 If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of Shares held by the applicants immediately before the offer was made to Shareholders in accordance with Article 13 3 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by him) After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the Shareholders
- 13 5 Subject to Articles 13 3 and 13 4 and to section 551 of the Act, any Equity Securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper

14. Share transfers

- 14 1 Subject to the provisions of this Article 14, Article 15 Article 16 Article 17 and Article 18, a Shareholder shall be free to transfer any or all of its Shares

- 14 2 Nothing shall prevent or restrict a person from acquiring or selling (or the Company from registering the transfer of) Shares if such Shares are acquired or sold (as the case may be) in accordance with a call option or put option granted to a Shareholder, under any agreement to which the Shareholders are party
- 14 3 The Seller's right to transfer Shares under Article 14 1 does not apply if the Board reasonably considers that
- 14 3 1 the proposed acquirer of such Shares intends to damage the best interests of the Shareholders, or
- 14 3 2 the transfer of Shares is not made in compliance with these Articles
- 14 4 The Board shall refuse to register the transfer of any Shares which would result in a Shareholder holding more than nil but less than 50 Shares in the Company
- 14 5 To enable the directors to determine whether or not there has been a disposal of Shares (or any interest in Shares in the capital of the Company) in breach of these Articles, the directors may from time to time require any Shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a Shareholder fails to provide information or evidence in respect of any Shares registered in its name to the reasonable satisfaction of such directors within 14 days of their request, such directors may serve a notice on the Shareholder stating that the Shareholder shall not in relation to all Shares held by that Shareholder be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of Shares of that class, or to vote on a written resolution of the Shareholders or to receive dividends on the Shares until such evidence or information has been provided to the directors' satisfaction

15. Acquisition of a Controlling Interest

- 15 1 At no time shall a person (alone or together with its connected persons and concert parties) acquire a Controlling Interest in the Company (and the Company shall not register any person as the holder of Shares acquired or proposed to be acquired pursuant to any such acquisition) unless such acquisition is as a result of
- 15 1 1 the exercise of a call option or the exercise of any put option granted to such person, under any agreement to which the Shareholders are party,
- 15 1 2 as a result of an issue of new Shares in respect of which other Shareholders waive their pre-emption rights under these Articles
- 15 1 3 as a result of the exercise by that person of its rights under Article 17, or
- 15 1 4 an irrevocable offer made by such person (stipulated to be open for acceptance for at least twenty-eight days) to purchase all the other Shares in issue and which such offer
- (a) is conditional only on being accepted by Shareholders (other than connected persons of the person making the offer) in respect of Shares representing (when added to any Shares already held by the person making the offer and any of its connected persons) in excess

of 50 per cent of the issued share capital of the Company at that time,

- (b) becomes unconditional within twenty-eight days of its having been made,
- (c) upon becoming unconditional remains open for further acceptances for a further twenty-eight days, and
- (d) has been pre-approved by the Board

16. Tag along

- 16 1 Except in pursuance of its acceptance of an offer made under Article 15 or otherwise ~~as permitted under Article 17 or as a consequence of the exercise of a call or put option granted to such Shareholder under any agreement to which the Shareholders are party,~~ no Shareholder, whether alone or together with its connected persons, holding Shares representing 15 per cent or more of the issued share capital of the Company from time to time (a "**Substantial Shareholder**") shall transfer Shares representing more than one per cent of the issued share capital of the Company in a single calendar year (whether in one transaction or in a series of transactions) to a Third Party Purchaser (a "**Proposed Transfer**"), unless that Third Party Purchaser has (in accordance with this Article) made or procured to be made an irrevocable offer (stipulated to be open for acceptance for at least twenty-eight Business Days) to purchase the Proportionate Shares from all other Shareholders (save for any connected person of the transferor under the Proposed Transfer) at the Tag Price (an "**Offer**") and the Third Party Purchaser has completed the purchase of all the Proportionate Shares from all the Shareholders who have accepted the Offer
- 16 2 The provisions of the Articles as to pre-emption rights shall not apply to any transfer of Shares made pursuant to such Offer
- 16 3 For the purpose of Article 16 1, the "**Tag Price**" means a price per Share equal to the value of the consideration payable by the Third Party Purchaser in respect of such Proposed Transfer
- 16 4 The Third Party Purchaser shall make the Offer by serving written notice (the "**Offer Notice**") on all Shareholders holding Shares in the Company. The Offer Notice shall specify
- 16 4 1 the identity of the Third Party Purchaser,
 - 16 4 2 the Tag Price and the terms of the Offer,
 - 16 4 3 the proposed completion date, and
 - 16 4 4 the number of Shares proposed to be purchased by the Third Party Purchaser under the Proposed Transfer
- 16 5 If a Shareholder wishes to accept the Offer, he shall deliver or shall procure to be delivered to the Third Party Purchaser

16.5.1 a duly executed stock transfer form transferring to the Third Party Purchaser any or all of his Shares, and

16.5.2 his share certificate therefor (or an indemnity in respect thereof in a form satisfactory to the Third Party Purchaser acting reasonably),

within the time period specified in the Offer Notice

17. Drag Along

17.1 If at any time after the lapse or completion of a call option granted to a Shareholder under any agreement to which the Shareholders are party, a person makes an offer to purchase Shares in accordance with Article 15.14 and such offer is accepted by Shareholders in respect of Shares representing in excess of 50 per cent of the issued share capital of the Company at that time excluding

17.1.1 from the issued share capital any Shares held by the person making the offer and any of its connected persons or concert parties, and

17.1.2 from the acceptances all acceptances of connected persons and concert parties of the person making the offer (the **"Selling Shareholders"**),

the Selling Shareholders may require all other Shareholders to whom such offer was made (the **"Called Shareholders"**) to accept such offer at the Drag Price and otherwise on the same terms on which the offer was made (such option being the **"Drag Along Option"**)

17.2 The Selling Shareholders may exercise the Drag Along Option by serving written notice on the Company (the **"Drag Along Notice"**) at any time before the transfer of the Selling Shareholders' Shares to the offeror. Upon receipt of the Drag Along Notice, the Company shall deliver copies of the Drag Along Notice to each Called Shareholder. The Drag Along Notice shall specify

17.2.1 that the Called Shareholders are required to accept the offer and transfer all of their Shares (**"Called Shares"**) to the offeror pursuant to this Article 17,

17.2.2 the identity of the offeror,

17.2.3 the Drag Price and the terms of the offer and

17.2.4 the proposed date of the transfer which shall be within 20 Business Days of the date of the Drag Along Notice

17.3 Subject to Article 17.5, if the Selling Shareholders exercise the Drag Along Option, the Called Shareholders shall accept (or otherwise be deemed to accept) the offer and shall transfer the Called Shares to the offeror on the terms set out in the Drag Along Notice

17.4 Each Called Shareholder who fails to comply with his obligations in Article 17.3 above hereby appoints any director of the Company as his attorney to execute and deliver in his name and on his behalf a stock transfer form transferring to the offeror

his Called Shares and an indemnity in a form reasonably satisfactory to the Company in relation to his share certificate relating to those Shares

- 17.5 Once issued, a Drag Along Notice shall be irrevocable. Notwithstanding the immediately foregoing sentence, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not transferred all of their Shares to the offeror within 40 Business Days of the date on which the Drag Along Notice was served. The Selling Shareholders may serve a further Drag Along Notice in accordance with this Article 17 following the lapse of a Drag Along Notice
- 17.6 Each of the Shareholders waives, and agrees to take any such action as is required to waive, any pre-emption rights which might otherwise apply on exercise of the Drag Along Option, whether under these Articles or otherwise howsoever arising

18. Permitted Transfers

- 18.1 A Shareholder (an "**Original Shareholder**") may transfer all or any of his or its Shares to a connected person of it (a "**Connected Transferee**") (a "**Permitted Transfer**")
- 18.2 If a Permitted Transfer has been made, the Connected Transferee shall transfer, in a manner and to a transferee permitted by these Articles, all of the Shares held by it before it ceases to be a connected person of the Original Shareholder
- 18.3 Each of the Shareholders waives, and agrees to take such action as is required to waive, any pre-emption rights which might otherwise apply to a transfer under this Article 18, whether under these Articles or howsoever arising.

DECISION MAKING BY SHAREHOLDERS

19. Chairing general meetings

- 19.1 The chairman of the board of directors shall chair general meetings
- 19.2 If the chairman is unable to attend any general meeting, the Shareholder who appointed him shall be entitled to appoint another of its nominated directors present at the meeting to act as chairman at the meeting. If such Shareholder has no such other nominated director, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman. The appointment of the chairman of the meeting must be the first business of the meeting

20. Voting

- 20.1 At a general meeting on a show of hands every Shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a Shareholder entitled to vote. On a poll every Shareholder present in person or by proxy shall have one vote for each Share of which he is the holder, and on a vote on a written resolution every Shareholder has one vote for each Share of which he is the holder

- 20 2 Any resolution proposed as a written resolution in relation to any of the matters listed in Article 20 1 shall be proposed in a form that provides Shareholders with the ability to cast their votes against as well as in favour of such resolution

21. Poll votes

- 21 1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting

ADMINISTRATIVE ARRANGEMENTS

22. Means of communication to be used

- 22 1 Subject to Article 22 2, any notice or other communication shall be in writing, shall be deemed to have been duly served on, given to or made in relation to the intended recipient

22 1 1 if posted to an inland address in the United Kingdom, the second Business Day after the date of posting and if posted from or to an overseas address, the fifth Business Day after the date of posting;

22 1 2 if personally delivered, at the time of delivery,

22 1 3 if sent by facsimile transmission, upon receipt by the sender of a facsimile transmission report (or other appropriate evidence) that the facsimile has been transmitted to the addressee, and

22 1 4 if sent by e-mail, at the time of sending

- 22.2 Any notice or other communication served on, or delivered to, an intended recipient under Articles 14, 15, 16 or 17 may be served or delivered by e-mail, or fax

- 22 3 In proving that any notice, document or information was properly addressed, it shall be sufficient to show that the notice, document or information was delivered to an address permitted for the purpose by the Act

23. Indemnity and insurance

- 23 1 Subject to Article 23 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

23 1 1 each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence default breach of duty or breach of trust in relation to the Company's affairs and

- 23 1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 23 1 1 and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure
- 23 2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law
- 23 3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss
- 23 4 In this Article
- 23 4 1 a '**relevant officer**' means any director or other officer or former director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and
- 23 4 2 a '**relevant loss**' means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund or employees' share scheme of the Company.

SCHEDULE 1

Regulation 2

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

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PART 6

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

articles means the company's articles of association

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

'chairman' has the meaning given in article 12,
 'chairman of the meeting' has the meaning given in article 39
 'Companies Acts' means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company
 'director' means a director of the company and includes any person occupying the position of director by whatever name called,
 'distribution recipient' has the meaning given in article 31
 'document' includes unless otherwise specified any document sent or supplied in electronic form,
 'electronic form' has the meaning given in section 1168 of the Companies Act 2006,
 "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,
 'hard copy form' has the meaning given in section 1168 of the Companies Act 2006,
 'holder' in relation to shares means the person whose name is entered in the register of members as the holder of the shares,
 'instrument' means a document in hard copy form,
 'ordinary resolution' has the meaning given in section 282 of the Companies Act 2006
 'paid' means paid or credited as paid
 'participate' in relation to a directors' meeting, has the meaning given in article 10,
 'proxy notice' has the meaning given in article 45,
 'shareholder' means a person who is the holder of a share
 'shares' means shares in the company,
 'special resolution' has the meaning given in section 283 of the Companies Act 2006,
 'subsidiary' has the meaning given in section 1159 of the Companies Act 2006,
 'transmittee' means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law, and
 '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

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company

Liability of members

2 The liability of the members is limited to the amount, if any, unpaid on the shares held by them

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

3 Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company

Shareholders' reserve power

4.—(1) The shareholders may, by special resolution direct the directors to take, or refrain from taking, specified action

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution

Directors may delegate

5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee,
- (b) by such means (including by power of attorney)
- (c) to such an extent,
- (d) ~~in relation to such matters or territories, and~~
- (e) on such terms and conditions,

as they think fit

(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions

Committees

6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

7.—(1) 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 article 8

(2) If –

- (a) the company only has one director, and
- (b) no provision of the articles requires it to have more than one director,

the general rule does not apply and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making

Unanimous decisions

8.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter

(2) Such a decision may take the form of a resolution in writing copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting

(4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting

Calling a directors' meeting

9.—(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

(2) Notice of any directors' meeting must indicate—

- (a) its proposed date and time,
- (b) where it is to take place, and
- (c) 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

(3) Notice of a directors' meeting must be given to each director but need not be in writing

(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 7 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.

Participation in directors' meetings

10.—(1) Subject to the articles, 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 the 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

(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

(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

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

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two

(3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors

Chairing of directors' meetings

12.—(1) The directors may appoint a director to chair their meetings

(2) The person so appointed for the time being is known as the chairman

(3) The directors may terminate the chairman's appointment at any time

(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

Casting vote

13.—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote

(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes

Conflicts of interest

14 —(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes

(3) This paragraph applies when—

- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process,
- (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (c) the director's conflict of interest arises from a permitted cause

(4) For the purposes of this article, the following are permitted causes—

- (a) a guarantee given, or to be given by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries,
- (b) subscription, or an agreement to subscribe for shares or other securities of the company or any of its subsidiaries, or to underwrite sub-underwrite or guarantee subscription for any such shares or securities, and
- (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors

(5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting

(6) Subject to paragraph (7), 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

(7) 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

Records of decisions to be kept

15 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

Directors' discretion to make further rules

16 Subject to the articles the directors may make any rule which they think fit about how they take decisions and about how such rules are to be recorded or communicated to directors

APPOINTMENT OF DIRECTORS

Methods of appointing directors

17 —(1) Any person who is willing to act as a director and is permitted by law to do so may be appointed to be a director

- (a) by ordinary resolution, or
- (b) by a decision of the directors

(2) In any case where, as a result of death the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right by notice in writing to appoint a person to be a director

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die a younger shareholder is deemed to have survived an older shareholder

Termination of director's appointment

18 A person ceases to be a director as soon as—

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (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,
- (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,
- (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

Directors' remuneration

19.—(1) Directors may undertake any services for the company that the directors decide

(2) Directors are entitled to such remuneration as the directors determine—

- (a) for their services to the company as directors and
- (b) for any other service which they undertake for the company

(3) Subject to the articles, a director's remuneration may—

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director

(4) Unless the directors decide otherwise directors' remuneration accrues from day to day

(5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested

Directors' expenses

20 The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors
- (b) general meetings or

(c) separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company

PART 3
SHARES AND DISTRIBUTIONS
SHARES

All shares to be fully paid up

21 —(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue

(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum

Powers to issue different classes of share

22.—(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution

(2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder and the directors may determine the terms, conditions and manner of redemption of any such shares

Company not bound by less than absolute interests

23 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 the 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

Share certificates

24 —(1) The company must issue each shareholder, free of charge with one or more certificates in respect of the shares which that shareholder holds

(2) Every certificate must specify—

- (a) in respect of how many shares, of what class it is issued,
- (b) the nominal value of those shares,
- (c) that the shares are fully paid, and
- (d) any distinguishing numbers assigned to them

(3) No certificate may be issued in respect of shares of more than one class

(4) If more than one person holds a share only one certificate may be issued in respect of it

(5) Certificates must—

- (a) have affixed to them the company's common seal or
- (b) be otherwise executed in accordance with the Companies Acts

Replacement share certificates

25 —(1) If a certificate issued in respect of a shareholder's shares is —

- (a) damaged or defaced or
- (b) said to be lost, stolen or destroyed

that shareholder is entitled to be issued with a replacement certificate in respect of the same shares

(2) A shareholder exercising the right to be issued with such a replacement certificate

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,
- (b) must return the certificate which is to be replaced to the company if it is damaged or defaced and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide

Share transfers

26.—(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

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share

(3) The company may retain any instrument of transfer which is registered

(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

(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 unless they suspect that the proposed transfer may be fraudulent

Transmission of shares

27.—(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person and
- (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had

(3) But transmittees do 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 they are entitled, by reason of the holder's death or bankruptcy or otherwise unless they become the holders of those shares

Exercise of transmittees' rights

28.—(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

(2) If the transmittee wishes to have a share transferred to another person the transmittee must execute an instrument of transfer in respect of it

(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 transmittee has derived rights in respect of the share and as if the event which gave rise to the transmission had not occurred

Transmittees bound by prior notices

29 If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30 --(1) The company may by ordinary resolution declare dividends and the directors may decide to pay interim dividends

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

31.—(1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share) or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide,
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide, or
- (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles 'the distribution recipient' means, in respect of a share in respect of which a dividend or other sum is payable—

- (i) the holder of the share; or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy or otherwise by operation of law, the transferee.

No interest on distributions

32 The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

- (a) the terms on which the share was issued; or
- (b) the provisions of another agreement between the holder of that share and the company.

Unclaimed distributions

33.—(1) All dividends or other sums which are—

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed

(2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it

(3) If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment and
- (b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company

Non-cash distributions

34.—(1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company)

(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—

- (a) fixing the value of any assets,
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and
- (c) vesting any assets in trustees

Waiver of distributions

35. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect but if—

- (a) the share has more than one holder or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

36.—(1) Subject to the articles the directors may if they are so authorised by an ordinary resolution—

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend or any sum standing to the credit of the company's share premium account or capital redemption reserve and
- (b) appropriate any sum which they so decide to capitalise (a capitalised sum) to the persons who would have been entitled to it if it were distributed by way of dividend (the persons entitled) and in the same proportions

(2) Capitalised sums must be applied—

- (a) on behalf of the persons entitled and
- (b) in the same proportions as a dividend would have been distributed to them

(3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct

(4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct

(5) Subject to the articles the directors may—

- (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

37 —(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

(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

(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

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

(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

Quorum for general meetings

38 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

Chairing general meetings

39 --(1) If the directors have appointed a chairman the chairman shall chair general meetings if present and willing to do so

(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

(3) The person chairing a meeting in accordance with this article is referred to as 'the chairman of the meeting'

Attendance and speaking by directors and non-shareholders

40 --(1) Directors may attend and speak at general meetings, whether or not they are shareholders

(2) The chairman of the meeting may permit other persons who are not—

- (a) shareholders of the company, or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting

Adjournment

41 --(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present the chairman of the meeting must adjourn it

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

- (a) the meeting consents to an adjournment, or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

(4) When adjourning a general meeting, the chairman of the meeting must --

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting

(5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

- (a) to the same persons to whom notice of the company's general meetings is required to be given and
- (b) containing the same information which such notice is required to contain

(6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

VOTING AT GENERAL MEETINGS

Voting general

42 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles

Errors and disputes

43 --(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at the meeting is valid

(2) Any such objection must be referred to the chairman of the meeting, whose decision is final

Poll votes

44. --(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

(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

(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

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs

Content of proxy notices

45 --(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 the articles and any instructions contained in the notice of the general meeting to which they relate

(2) The company may require proxy notices to be delivered in a particular form and may specify different forms for different purposes

(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

(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

Delivery of proxy notices

46 -- (1) 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.

(2) 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.

(3) 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.

(4) 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.

Amendments to resolutions

47 — (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution if—

- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

48 — (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

(2) Subject to the articles, 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.

(3) 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.

Company seals

- 49 – (1) Any common seal may only be used by the authority of the directors
- (2) The directors may decide by what means and in what form any common seal is to be used
- (3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document the document must also be signed by at least one authorised person in the presence of a witness who attests the signature
- (4) For the purposes of this article an authorised person is—
- (a) any director of the company,
 - (b) the company secretary (if any) or
 - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied

No right to inspect accounts and other records

50. Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder

Provision for employees on cessation of business

51 The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

52 —(1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
- (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
- (c) any other liability incurred by that director as an officer of the company or an associated company

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

(3) In this article—

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a 'relevant director' means any director or former director of the company or an associated company

Insurance

53 – (1) The directors may decide to purchase and maintain insurance at the expense of the company for the benefit of any relevant director in respect of any relevant loss

(2) In this article—

- (a) a 'relevant director' means any director or former director of the company or an associated company
- (b) a 'relevant loss' means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate