

5085034

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

OF

SYNERGY INSURANCE SERVICES HOLDINGS LIMITED

(Passed on 3 August 2006)

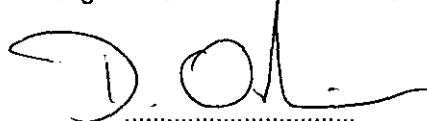
On 3 August 2006 the following resolutions were duly passed as written resolutions of the Company pursuant to section 381A of the Companies Act 1985 (as amended):

ORDINARY RESOLUTIONS

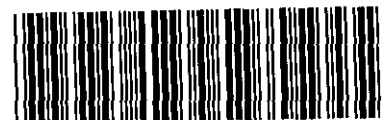
1. **THAT**, each of the issued 100 Ordinary Shares of £1 each in the capital of the Company be and are hereby subdivided into 1000 Ordinary Shares of 10p each.
2. **THAT**, the authorised share capital of the Company be increased from £100 to £20,010,000 by the creation of 20,000,000 Preference Shares of £1 each and 26,750 'A' Ordinary Shares of 10p each and by the creation of an additional 72,250 Ordinary Shares of 10p, such shares to have the rights and be subject to the restrictions set out in the new Articles of Association of the Company adopted pursuant to resolution 4 below.
3. **THAT**, the Directors be and they are hereby authorised generally and unconditionally pursuant to and in accordance with section 80 of the Companies Act 1985 ("the Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act up to an aggregate nominal amount £20,009,900 provided that this authority shall expire on the fifth anniversary of the date on which this resolution is passed save that the Company may before such expiry make an offers or agreements which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offers or agreements as if the authority conferred had this resolution not expired.

SPECIAL RESOLUTION

4. **THAT**, the new Articles of Association of the Company attached to these Written Resolutions be and they are hereby adopted by the Company as the Company's Articles of Association to the exclusion of and in substitution for the existing Articles of Association of the Company.

  
.....  
Director

WEDNESDAY



A27 \*AOQCKMV1\* 07/02/2007 339  
COMPANIES HOUSE

**THE COMPANIES ACT 1985**

---

**COMPANY LIMITED BY SHARES**

---

**ARTICLES OF ASSOCIATION**

- of -

**SYNERGY INSURANCE SERVICES HOLDINGS LIMITED**

(as adopted by special resolution passed on ...<sup>3</sup>... August 2006)

**CLYDE&CO**

## CONTENTS

1. Preliminary.....	1
2. Definitions and Interpretation .....	1
3. Share capital .....	5
4. Share rights.....	5
5. Issue of shares .....	8
6. Redemption and purchase of shares .....	8
7. Lien.....	9
8. Calls on shares and forfeiture .....	9
9. Transfer of shares.....	9
10. Compulsory Transfers .....	15
11. Redesignation of A Ordinary Shares as Ordinary Shares.....	18
12. Transmission of shares .....	18
13. Tag Along and Come Along .....	19
14. Disclosure of interest in Shares .....	19
15. Proceedings at general meetings.....	20
16. Votes of members .....	20
17. Number and qualification of directors .....	21
18. Alternate directors .....	21
19. Delegation of directors' powers.....	22
20. Appointment and retirement of directors .....	22
21. Disqualification and removal of directors.....	22
22. Remuneration of directors .....	22
23. Directors' appointments and interests.....	23
24. Proceedings of directors .....	24
25. Interested Director not to vote or count for quorum.....	24
26. The seal .....	26
27. Notices .....	26
28. Winding up .....	26
29. Single member company .....	26
30. Indemnity and insurance.....	26

THE COMPANIES ACT 1985

---

COMPANY LIMITED BY SHARES

---

ARTICLES OF ASSOCIATION

- of -

SYNERGY INSURANCE SERVICES HOLDINGS LIMITED

(as adopted by special resolution passed on.....August 2006)

1. **Preliminary**

- 1.1 The regulations contained in Table A in the Companies (Tables A to F) Regulations 1985 ("Table A") in force as at the date of adoption of these Articles shall, except as provided in and so far as the same are not inconsistent with the provisions of these Articles, apply to the Company and shall together with these Articles constitute the regulations of the Company. Any reference in these Articles to a regulation of a particular number shall be to that regulation in Table A.
- 1.2 Regulations 3, 9, 23, 24, 29-31 (inclusive), 35, 44, 50, 60, 61, 64 to 69 (inclusive), 72 to 82 (inclusive), 85, 86, 88, 94 to 98 (inclusive), 101, 112, 115, 117 and 118 of Table A shall not apply to the Company.

2. **Definitions and Interpretation**

- 2.1 In these Articles, unless the context otherwise requires, the following expressions shall have the following meanings:

"Act"	the Companies Acts 1985;
"acting in concert"	shall have the meaning set out in, and be interpreted in accordance with, The City Code on Takeovers and Mergers;
"AIM"	the AIM market of the London Stock Exchange;
"A Ordinary Shares"	A Ordinary Shares of 10p each in the capital of the Company;
"Articles"	these Articles of Association as altered or varied from time to time (and "Article" means one of these Articles);
"Associate(s)"	in relation to any particular individual member or

	deceased or former individual member, his Privileged Relations, the trustee(s) of any Family Trust in relation to him and any Family Company in relation to him;
<b>"Board"</b>	the board of directors for the time being of the Company or the directors present at a duly convened meeting of the directors at which a quorum is present;
<b>"clear days"</b>	(in relation to the period of a notice) that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
<b>"Compulsory Transfer"</b>	a transfer of shares in respect of which a Transfer Notice is deemed to be given pursuant to Article 10;
<b>"control"</b>	shall have the same meaning as in section 840 of the Income and Corporation Taxes Act 1988;
<b>"corporate member"</b>	any member which is a body corporate;
<b>"equity shares"</b>	the A Ordinary Shares and the Ordinary Shares;
<b>"executed"</b>	includes any mode of execution;
<b>"Exit"</b>	a Sale or a Listing;
<b>"Family Company"</b>	in relation to any particular individual member or deceased or former individual member, a body corporate all of the shares in which are legally and beneficially owned by that individual member (or his personal representatives, as the case may be) and/or his Privileged Relations and/or constitute trust property under any Family Trust in relation to him (or which is a wholly-owned subsidiary of any such body corporate);
<b>"Family Trust"</b>	in relation to any particular individual member or deceased or former individual member, a trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) the only beneficiaries of which are or may be that individual member and/or his Privileged Relations;
<b>"First Transferor Company"</b>	the transferor of the shares in question pursuant to Article 9.5(b) or, if there has been one or more in a series of transfers of such shares pursuant to that Article, the first transferor in such series;
<b>"Group Company"</b>	any body corporate which is for the time being a holding company or subsidiary or a subsidiary of a holding company of the First Transferor Company;

<b>"holder"</b>	in relation to shares means the member whose name is entered on the register of members as the holder of the shares;
<b>"Listing"</b>	the admission of all or any part of the equity share capital of the Company to the Official List of the UK Listing Authority becoming effective in accordance with Listing Rule 3.2.7 and admission to trading on the London Stock Exchange's market for listed securities becoming effective in accordance with paragraph 2.1 of the Admission and Disclosure Standards of the London Stock Exchange or the grant of permission for dealings therein on AIM or admission to listing or trading on any recognised investment exchange (as that term is used in s.285 of the Financial Services and Markets Act 2000) or on any regulated market (as defined in Article 1(13) of E.U. Directive 93/22/EEC) or on any other investment exchange approved by the Board;
<b>"Listing Rules"</b>	the listing rules of the UK Listing Authority;
<b>"London Stock Exchange"</b>	the London Stock Exchange plc;
<b>"Office"</b>	the registered office of the Company;
<b>"Ordinary Shares"</b>	Ordinary Shares of 10p each in the capital of the Company;
<b>"Permitted Transfers"</b>	any transfer of any share which is permitted in accordance with the provisions of Article 9.5;
<b>"Preferential Return"</b>	in the case of a holder of Preference Shares, an amount equal to the amount for the time being paid up or credited as paid up (including any premium thereon) on the Preference Shares held by that holder together with an amount, accruing on a daily basis, equal to 7.5% per annum for the period from the date of issue of the Preference Shares to the date of redemption;
<b>"Preference Shares"</b>	redeemable preference shares of £1.00 each in the capital of the Company;
<b>"Privileged Relation"</b>	means in relation to an individual member or deceased or former individual member, husband or wife or civil partner or the surviving spouse or surviving civil partner of such member and all the lineal descendants and ascendants in direct line of such member and a husband or wife or civil partner or surviving spouse or surviving civil partner of any of the above persons and for these purposes a step-child or adopted child or illegitimate child of any person shall be deemed to be his or her lineal descendant;
<b>"Sale"</b>	(a) the transfer (including any transfer within the meaning of Article 9) (whether through a single transaction or a series of transactions) of shares

(which for the purposes of this definition only, shall include all shares which are the subject of a Transfer Notice) as a result of which any person (or persons connected with each other or persons acting in concert with each other) would acquire, directly or indirectly, the legal or beneficial ownership of or over that number of shares which, in aggregate, would confer more than 50 per cent. of the voting rights normally exercisable at general meetings of the Company or (b) any form of capital reorganisation or scheme of arrangement or the like under the Act or the Insolvency Act 1986 or otherwise where any person (or persons connected with each other or persons acting in concert with each other) would acquire, directly or indirectly, the legal or beneficial ownership of or over that number of shares in the Company which, in aggregate, would confer more than 50 per cent. of the voting rights normally exercisable at general meetings of the Company;

<b>"seal"</b>	the common seal of the Company;
<b>"secretary"</b>	the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
<b>"share"</b>	a share in the capital of the Company of whatever class;
<b>"shareholder"</b>	a holder of shares in the capital of the Company;
<b>"Transfer Notice"</b>	has the meaning given to it in Article 9.6; and
<b>"Transferor"</b>	has the meaning given in Article 9.6 and a person who is subject to a Compulsory Transfer shall also be deemed to be a Transferor for the purposes of these Articles;
<b>"UK Listing Authority"</b>	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000; and
<b>"United Kingdom"</b>	means Great Britain and Northern Ireland.

2.2 In these Articles, unless the context otherwise requires:

- (a) words denoting the singular shall include the plural and vice versa;
- (b) words importing the masculine shall include the feminine;
- (c) a reference to a person includes a body corporate and an unincorporated body of persons.

2.3 In these Articles:

- (a) a reference to any statute or statutory provision shall include any orders, regulations or other subordinate legislation made under it or pursuant thereto and shall, unless

the context otherwise requires, include any statutory modification or re-enactment of any statute or statutory provision for the time being in force;

- (b) a reference to a document shall include a reference to an electronic communication;
- (c) references to a document being executed include references to it being executed under hand or seal or, in the case of an electronic communication, by electronic signature;
- (d) references to an instrument means, unless the contrary is stated, a document in writing having a tangible form and not comprised in an electronic communication; and
- (e) references to writing mean the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods whether comprised in an electronic communication or otherwise and "written" shall be construed accordingly.

2.4 Save as aforesaid, and unless the context otherwise requires, words or expressions defined in the Act shall bear the same meanings in these Articles.

2.5 A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles and a special resolution shall be effective for any purpose for which an extraordinary resolution is expressed to be required under any provision of these Articles.

2.6 The headings are inserted for convenience only and shall not affect the construction of these Articles.

### 3. **Share capital**

The authorised share capital of the Company as at the date of the adoption of these Articles is £20,010,000 divided into 20,000,000 Preference Shares of £1.00 each, 73,250 Ordinary Shares of 10p each and 26,750 A Ordinary Shares of 10p each.

### 4. **Share rights**

4.1 The Preference Shares shall have the following rights and be subject to the following restrictions.

#### (a) *Income*

The holders of the Preference Shares shall not be entitled to receive any dividend out of the profits of the Company available for distribution and resolved to be distributed in any financial year or any other distribution (other than a return of capital or redemption in accordance with these Articles) whether of capital or income including, without limitation, any allotment to members of unissued shares of the Company (whether or not fully paid) as a result of the capitalisation of any sum standing to the credit of share premium account or of any reserve (whether or not available for distribution) of the Company;

#### (b) *Redemption*

- (i) Subject to the provisions of the Act and these Articles, the Company shall be entitled, at any time, on giving notice of redemption in accordance with Article 4.1(b)(iii) to the holder or holders of the Preference Shares, to redeem all or any part of the Preference Shares then in issue. The Company shall not be entitled to exercise any such voluntary right of redemption in respect of a Preference Share unless it pays to the holder in full the Preferential Return.



- (ii) Subject to the provisions of the Act, the Company shall, in any event, redeem all the Preference Shares then in issue on the first to occur of:
  - (A) an Exit (unless such shares are purchased in full for a price not less than the Preferential Return in accordance with Article 4.1(d) or otherwise); and
  - (B) a winding-up or other return of capital by the Company (except on a redemption in accordance with the terms of issue of any share or a purchase by the Company of any share and subject to the rights of any other class of shares that may be issued)

on any such redemption there shall be paid to the holders of the Preference Shares a sum equal to the Preferential Return in respect of each Preference Shares held by such holders on the date of redemption.

- (iii) The Company shall give to the holders of any Preference Shares to be redeemed not less than 7 days' prior written notice of the date fixed for redemption. Any such notice shall state the number of Preference Shares to be redeemed and shall specify the date, time and place at which such redemption is to be effected. On such date and at the time and place so specified, each of the holders of Preference Shares to be redeemed shall be bound to deliver to the Company the certificate or certificates for such Preference Shares for cancellation and on such delivery the Company shall pay to each holder the amount due in respect of such redemption and shall cancel the certificate or certificates so delivered, provided that if any certificate so surrendered includes any Preference Shares not redeemable at that time the Company shall issue, free of charge, a fresh certificate to the holder for the balance of the Preference Shares remaining unredeemed.
- (iv) If any holder of Preference Shares shall fail or refuse to deliver up the certificate or certificates for the Preference Shares, the Company may retain the redemption monies until delivery of such certificate or certificates or of an indemnity in respect thereof in a form satisfactory to the Company, but shall within seven days after such delivery pay the redemption monies to such holder.
- (v) Preference Shares redeemed in accordance with these Articles shall be cancelled and the Company shall not be entitled to re-issue the same.

(c) *Capital*

On a winding up, after payment of all the Company's liabilities, the holders of the Preference Shares shall have the right, in priority to the holders of all other shares of the Company from time to time in issue, to receive the Preferential Return on the same basis as if the Preference Shares were to be redeemed. If on such a winding up the amount available for payment to the holders of the Preference Shares is insufficient to satisfy in full the amounts payable in respect of the Preference Shares, the holders of the Preference Shares shall share such payment in proportion to the number of Preference Shares held by them respectively.

(d) *Sale*

- (i) In the event of a Sale, the proceeds of such Sale shall be distributed:
  - (A) in priority to any payments to the holders of any other class of shares of the Company from time to time in issue, to the holders of the Preference Shares in respect of their Preference Shares an amount equal to the Preferential Return for their Preference Shares, such

payment to be shared in proportion to the number of Preference Shares held by them respectively provided always that if on any such Sale the amount available for payment to the holders of the Preference Shares is insufficient to satisfy in full the amounts payable in respect of the Preference Shares, the holders of the Preference Shares shall share such payment in proportion to the number of Preference Shares held by them respectively; and

- (B) thereafter the balance of the proceeds of Sale shall be shared *pari passu* with the holders of the equity shares in proportion to the number of 'A' Ordinary Shares and Ordinary Shares held by them respectively as if the 'A' Ordinary Shares and the Ordinary Shares together constituted a single class of share.
  - (ii) On any sale by the Company of the whole or substantially the whole of its business and assets, the Company shall (insofar as it is lawfully able) distribute (whether by means of dividend or otherwise) to the shareholders the proceeds of such sale and those proceeds shall be distributed between the shareholders in the manner set out in Article 4.1(d)(i) as if the same constituted a liquidation of the Company.
- (e) *Attendance and voting at general meetings*
- (i) The holders of the Preference Shares shall not be entitled, in respect of their holdings of such shares, to receive notice of any general meeting of the Company, or to attend, speak or vote at any such general meeting unless:
    - (A) the business of the meeting includes the consideration of a resolution for the winding-up or administration of, or a voluntary arrangement with members and creditors of, the Company, in which case the holders of the Preference Shares shall have the right to attend the general meeting and shall be entitled to speak and vote only on any such resolution;
    - (B) any amounts due to the holders of Preference Shares remain outstanding in which case, until such amounts have been paid in full, the holders of Preference Shares shall have the right to attend the general meeting and shall be entitled to speak and vote on any resolution proposed at a general meeting of the Company; or
    - (C) the business of the meeting includes proposing a resolution for the variation or abrogation of any of the rights or privileges attaching to the Preference Shares in which case the holders of the Preference Shares shall have the right to attend the general meeting and shall be entitled to speak and vote only on any such resolution.
  - (ii) Whenever the holders of the Preference Shares are entitled to vote at a general meeting of the Company upon a resolution, every holder thereof who is present in person or by proxy or (being a corporation) is present by a representative or by proxy shall, on a show of hands, have one vote and, on a poll duly taken, shall have one vote for each Preference Share of which he or the person whom he is representing is the holder.
- (f) *Class rights*

Save with such consent or sanction on the part of the holders of the Preference Shares as is required for a variation of the rights attached to such shares the Company shall not:

- (A) authorise, create, issue or increase the amount of any class of shares or any securities convertible into or conveying rights to subscribe for any class of shares ranking as regards rights to participation in the profits or assets of the Company (other than on a redemption or purchase by the Company of any of such shares) in priority to or *pari passu* with the Preference Shares; or
- (B) declare, pay or make any dividend or other distribution out of the profits of the Company available for distribution in any financial year or any other distribution (other than in respect of the Preference Shares) in either case to the holders of the equity shares whether of capital or income, including without limitation any, allotment to the holders of the equity shares of unissued shares of the Company (whether or not fully paid) as a result of the capitalisation of any sum standing to the credit of share premium account or of any reserve (whether or not available for distribution) of the Company unless and until the Preference Shares have been redeemed in full in accordance with this Article 4.

4.2 Except as set out in these Articles, the equity shares shall rank *pari passu* in all respects as if the Ordinary Shares and the A Ordinary Shares together constituted a single class of share.

## 5. **Issue of shares**

5.1 Subject as otherwise provided in these Articles and to any direction or authority contained in the resolution of the Company creating or authorising the same, the directors are generally and unconditionally authorised, for the purposes of section 80 of the Act, to exercise for each Allotment Period all the powers of the Company to allot relevant securities up to an aggregate nominal amount equal to the Section 80 Amount to such persons (whether existing shareholders or not), at such times and on such terms and conditions as they think fit.

5.2 The authority granted to the directors under Article 5.1:

- (a) may be renewed, extended, revoked or varied at any time by the Company in general meeting; and
- (b) shall permit the directors during an Allotment Period to make offers or agreements which would or might require relevant securities to be allotted after the expiry of such period.

5.3 For the purposes of this Article 5:

- (a) "**Allotment Period**" means the period ending on the date 5 years from the date of adoption of these Articles or any other period (not exceeding 5 years on any occasion) for which the authority conferred by Article 5.1 is renewed or extended by resolution of the Company in general meeting stating the Section 80 Amount for such period;
- (b) "**Section 80 Amount**" shall for the first Allotment Period be £2,009,900 and for any other Allotment Period shall be that stated in the relevant resolution renewing or extending the authority conferred by Article 5.1.

5.4 In exercising their authority under this Article 5.1 the directors shall not be required to have regard to section 89(1) and section 90(1) to (6) (inclusive) of the Act which sections shall be excluded from applying to the Company.

## 6. **Redemption and purchase of shares**

Subject to the provisions of the Act and these Articles, the Company may:

- (a) issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the holder, on such terms and in such manner as may be set out in these Articles (as amended from time to time) or (as to the date on or by which or the dates between which the shares are to be or may be redeemed) as may be determined by the directors prior to the date of issue;
- (b) purchase its own shares (including any redeemable shares) or enter into such agreement (contingent or otherwise) in relation to the purchase of its own shares on such terms and in such manner as may be approved by such ordinary or special resolution as may be required by the Act;
- (c) to the extent permitted by section 171 of the Act, make a payment in respect of the redemption or purchase of any of its own shares (including any redeemable shares) otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

## **7. Lien**

- 7.1 The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share and the Company shall also have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of any person for all moneys presently payable by him or his estate to the Company, whether he shall be the sole registered holder of those shares or shall be one of several joint holders. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.
- 7.2 The Company may sell in such manner as the directors determine any shares on which the Company has a lien, provided all restrictions and all rights of pre-emption upon transfer set out in these Articles are complied with, if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder demanding payment and stating that if the notice is not complied with the shares may be sold.
- 7.3 Regulation 10 shall apply as if the words "The transferee shall (subject to the transfer being duly stamped, if stampable) be registered as the holder of the shares comprised in the transfer (whether the share certificate has been produced or not) and he shall not be bound to see to the application of the purchase consideration" were inserted at the end of that regulation.

## **8. Calls on shares and forfeiture**

- 8.1 Regulation 12 shall apply as if the words "and except as agreed between the Company and any member in the case of the shares held by him" were inserted immediately after the words "Subject to the terms of allotment" in the first sentence.
- 8.2 Regulation 20 shall apply as if the words "The Company may receive and retain the consideration, if any, given for the share on its disposal and (subject to the transfer being duly stamped, if stampable) may register the transferee as the holder (whether the share certificate has been produced or not)" were inserted at the end of that regulation.

## **9. Transfer of shares**

- (a) *General*

- 9.1 The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
- 9.2 In this Article 9 and Article 10 references to an interest in shares shall be deemed to include any interest or right whatsoever in, over or arising from shares including (without limitation) any option or other contractual right or any encumbrance over or in respect of any share.
- 9.3 Save as otherwise provided in these Articles, the right to transfer or otherwise dispose of or deal with shares or any interest in shares in the issued share capital of the Company is subject to the following provisions of this Article 9 and any such transfer or other disposal or dealing made otherwise than in accordance with these Articles shall be void.
- 9.4 The directors shall refuse to register the transfer of a share which is not permitted by these Articles. The directors may also refuse to register the transfer of a share on which the Company has a lien and/or unless the certificate for the share and other evidence satisfactory to the directors of the right to make the transfer is produced to them and/or unless the transfer is duly stamped (if stampable). Subject to this or as required by law, the directors shall register the transfer of a share in the Company made in accordance with these Articles.

(b) *Permitted Transfers*

- 9.5 Subject to the foregoing provisions of this Article 9 and to Article 10, any shares (other than any shares which at relevant time are the subject of any Transfer Notice or Compulsory Transfer) may at any time be transferred:
- (a) to any person approved in writing by members representing not less than 75 per cent in nominal value of all of the shares in the Company for the time being in issue carrying the right to attend and vote at general meetings of the Company (excluding the transferor of the shares being transferred) (which consent may be granted unconditionally or subject to terms and conditions as such holders may stipulate or approve and in the latter case, any shares so transferred shall be held subject to such terms and conditions notified in writing to the transferee prior to registration of the transfer); or
  - (b) by any member being a body corporate (not holding the shares concerned as trustee of any Family Trust and not being a Family Company) to any Group Company or to the First Transferor Company; or
  - (c) by any individual member (not holding the shares concerned as trustee of any Family Trust) to a Privileged Relation of such member; or
  - (d) by any individual member (not holding the shares concerned as trustee of any Family Trust) to trustees to be held upon a Family Trust in relation to such individual member; or
  - (e) by any member being the trustee(s) of a Family Trust (whether a single corporate trustee and/or a trustee or trustees being individuals) in relation to an individual member or deceased or former individual member and subject always to the terms of the Family Trust, to:
    - (i) the trustee(s) for the time being of the Family Trust concerned on any change of trustee(s); or
    - (ii) the trustee(s) for the time being of any other trusts being Family Trusts in relation to the same individual member or deceased or former individual member; or

- (iii) such individual member (or former individual member) or to any person to whom such individual member (or deceased or former individual member) could have transferred the shares (had he been their holder) pursuant to this Article 9.5; or
- (f) by any individual member (not holding the shares concerned as trustee of any Family Trust) to a Family Company in relation to such individual member; or
- (g) by any Family Company (not holding the shares concerned as trustee of any Family Trust) in relation to an individual member or deceased or former individual member, to such individual member (or former individual member) or to any person to whom such individual member (or deceased or former individual member) could have transferred the shares (had he been their holder) pursuant to this Article 9.5; or
- (h) by any person entitled to shares in consequence of the death or bankruptcy of an individual member to any person(s) to whom such individual member, if not dead or bankrupt, would be permitted to transfer the same under these Articles,

provided (in each case) that any such transfer shall be of all the legal title to, beneficial ownership of and rights attaching to such shares at the date of the transfer (unless a transfer of a lesser interest is, as a matter of law, necessary to effect any transfer expressly permitted by Article 9.5(d) or Article 9.5(e)).

(c) *Pre Emption Rights*

- 9.6 Save in respect of a transfer permitted by Article 9.5 or another provision of these Articles, before transferring or otherwise disposing of or dealing with any share or any interest in any share or purporting to do so, the person proposing to transfer or otherwise dispose of or deal with the same ("**the Transferor**") must (or, in the case of a Compulsory Transfer, any director shall) set out details of the proposed transfer or other disposal or dealing, specifying the shares affected, in a dated notice to the directors at the Office ("**Transfer Notice**"). Notwithstanding that a Transfer Notice may specify that the Transferor wishes to transfer or otherwise dispose of or deal with only an interest in the shares referred to in it, the Transfer Notice shall (except as otherwise expressly provided in this Article 9) irrevocably and unconditionally constitute the Company the agent of the Transferor in relation to the sale of all the legal title to, beneficial ownership of and rights attaching to the shares referred to in it ("**Sale Shares**") in accordance with the provisions of this Article 9, notwithstanding anything in the Transfer Notice to the contrary. Save as provided in this Article 9, a Transfer Notice shall not be revocable except with the consent of the directors.
- 9.7 Except in the case of a Compulsory Transfer, the Transfer Notice may contain a condition ("**Total Transfer Condition**") that unless Purchasers (as defined in Article 9.13) are found for all of the Sale Shares to be sold pursuant to the pre-emption procedure in this Article 9, none shall be so sold; and in the event that a valid Total Transfer Condition is not satisfied, the provisions of Article 9.14 shall apply.
- 9.8 The price of the Sale Shares ("**Transfer Price**") shall be whichever is applicable of:
- (a) the price agreed in writing between the Transferor and the directors as representing the fair value of the Sale Shares; or
  - (b) if no such agreement has been reached within fourteen days of the date of the Transfer Notice (or the date it was deemed given in the case of a Compulsory Transfer), the amount that the Auditors shall within a further thirty days determine and certify to be in their opinion the fair value of the Sale Shares. In making their determination, the Auditors shall act as experts and not as arbitrators and (save only in the case of manifest error or fraud) their determination shall be final and binding. To the extent permitted by law and except as provided in Article 9.9, the Auditors' costs and expenses in this respect shall be borne by the Company or by such person

or persons and in such proportions (if any) as the Auditors shall determine in their absolute discretion. If the Auditors are unwilling or unable to determine the fair value of the Sale Shares, it shall be determined and certified by such person as is nominated on the application of either the Transferor or the Company by the President for the time being of the Institute of Chartered Accountants in England and Wales, and the provisions of this Article 9 shall apply in respect of such person as if they were the Auditors.

For the purposes of this Article 9.8, "**fair value**" shall mean the proportion of the value of the entire issued share capital of the Company which the number of Sale Shares bears to the total number of issued shares in the capital of the Company of that class as at the date of the Transfer Notice (or the date it was deemed given in the case of a Compulsory Transfer), and in determining the fair value for the purposes of Article 9.8(b), the Auditors shall be instructed:

- (i) to take into account the value of any bona fide offer which may have been received to purchase the Sale Shares concerned;
- (ii) to disregard whether the Sale Shares represent a minority or majority or other strategic interest;
- (iii) to assume the Sale Shares are capable of being transferred without restriction as between a willing seller and willing buyer on an arm's length basis and to disregard (if such be the case) the lack of any trading or dealing arrangements;
- (iv) to have regard to any outstanding rights as at the date of the Transfer Notice (or the date it was deemed given in the case of a Compulsory Transfer) to subscribe for or convert into equity shares of the Company; and
- (v) to have regard to such other matters relating to the affairs of the Company as the Auditors think fit.

9.9 If the Transfer Price is determined by the Auditors pursuant to Article 9.8(b), the directors shall, by dated notification within seven days of the Auditors' certification thereof, inform the Transferor of the Transfer Price and (except in the case of a Compulsory Transfer) the Transferor shall be entitled, by notice to the directors at the Office within seven days of the date of the notification ("**Notification Period**"), to withdraw the Transfer Notice, in which case the Transferor shall be liable to pay (or reimburse to the Company, as the case may be) the Auditors' costs and expenses as provided in Article 9.8. Any such withdrawal shall terminate the directors' authority to sell the Sale Shares and any future transfer or other disposal of or dealing with such shares or any interest therein shall be subject to the provisions of these Articles.

9.10 Within fourteen days of the agreement in accordance with Article 9.8(a) or (in the event of a determination pursuant to Article 9.8(b) and provided that the Transferor has not exercised his right (if any) to withdraw the Transfer Notice) of the end of the Notification Period, the directors shall send a dated notice ("**Sale Notice**") on the same terms to the members of the Company on the date of the Sale Notice (other than the Transferor and any person who is deemed pursuant to Article 10 to have given a Transfer Notice on or prior to the date of the Sale Notice) in accordance with the following procedure (each person receiving a Sale Notice being hereinafter referred to as "**an Offeree**"):

- (a) if the Sale Shares are A Ordinary Shares they shall be offered in the following order:
  - (i) to be holders of the A Ordinary Shares;
  - (ii) then to the holders of the Ordinary shares; and
  - (iii) then to the holders of the Preference Shares

- (b) if the Sale Shares are Ordinary Shares they shall be offered in the following order:
  - (i) to the holders of the equity shares as if the A Ordinary Shares and the Ordinary Shares together constituted a single class of share; and
  - (ii) then to the holders of the Preference Shares
- (c) if the Sale Shares are Preference Shares they shall be offered in the following order:
  - (i) to the holders of the Preference Shares; and
  - (ii) then to the holders of the equity shares as if the A Ordinary Shares and the Ordinary Shares together constituted a single class of share.

in each case the Sale Notice shall offer for sale at the Transfer Price the proportion of the Sale Shares to which an Offeree is entitled, which shall be equal (as nearly as practicable without involving fractions) to the proportion in nominal value then held by him of the total issued shares in the Company of the relevant class (excluding the shares held by any person who is not entitled to receive a Sale Notice pursuant to this Article 9.10).

The offer shall:

- (a) stipulate a period of not less than twenty-one days but not more than twenty-eight days ("**Offer Period**") within which it must be accepted (in whole or in part) or in default will lapse; and
  - (b) stipulate that any Offeree who wishes to purchase a number of Sale Shares in excess of the proportion to which he is entitled ("**Excess Sale Shares**") shall in his acceptance state how many Excess Sale Shares he wishes to purchase. Any Sale Shares not accepted by other Offerees or otherwise remaining unallocated shall be used to satisfy any such requests for Excess Sale Shares pro rata (as nearly as practicable without involving fractions) to the existing shares (including for these purposes Sale Shares previously accepted) respectively held by the Offerees making such requests (but so that no Offeree shall be obliged to take more than the maximum number of Sale Shares and Excess Sale Shares for which he has applied).
- 9.11 If the Company shall not pursuant to Article 9.10 have allocated all of the Sale Shares within the Offer Period then any remaining Sale Shares shall, for a period of fourteen days after the expiry of the Offer Period, be at the disposal of the directors who may offer them at the Transfer Price to any member willing to purchase them as they in their sole discretion think fit.
- 9.12 If a Transfer Notice validly contains a Total Transfer Condition then any offer made pursuant to Article 9.10 or Article 9.11 shall be conditional upon this being satisfied and no acceptance of an offer of Sale Shares will become effective unless and until such condition is satisfied.
- 9.13 If the Company shall find members ("**Purchasers**") to purchase all of the Sale Shares or (unless the Transfer Notice validly contains a Total Transfer Condition which has not been satisfied) any of them within the Offer Period or (as the case may be) the period specified in Article 9.11 then:
- (a) the directors shall within fourteen days of the end of the applicable period give a dated notice specifying the accepted Sale Shares ("**Purchase Notice**") to the Transferor and the Transferor shall be bound upon payment of the Transfer Price to transfer the Sale Shares comprised in the Purchase Notice to the respective Purchasers. The Purchase Notice shall state the name and address of each of the Purchasers and the number of Sale Shares he has agreed to purchase and shall specify a place, date and time for completion of the sale and purchase (not being less than seven days nor more than fourteen days after the date of the Purchase Notice);



- (b) if the Transferor fails or refuses to transfer any Sale Shares to any of the Purchasers in accordance with this Article 9.13, the Transferor shall be deemed to have authorised:
  - (i) any director to execute and deliver transfers of such Sale Shares in his name and on his behalf to the relevant Purchasers; and
  - (ii) the Company to receive the proceeds of sale of the Sale Shares in trust for the Transferor. The receipt by the Company for the proceeds of sale shall constitute a good discharge to the Purchasers (who shall not be bound to see to their application) and (subject to the transfers being duly stamped, if stampable) the Company may register the Purchasers as holders of the relevant shares notwithstanding the absence of any share certificate being lodged in respect of such shares at which time the Purchasers shall become indefeasibly entitled to such shares. Subject to the delivery by the Transferor to the Company of the certificate(s) for the shares so sold, he shall be entitled to receive the sale proceeds without interest and a balance certificate for the unsold shares (if any) comprised within the surrendered certificate(s); and
- (c) any Sale Shares required to be transferred by a Transferor to a Purchaser pursuant to this Article 9.13 shall be transferred free of any mortgage, charge, lien, option or other encumbrance and with the benefit of all rights and entitlements attaching to them and if, in determining the Transfer Price, there was taken into account any dividend or other distribution which has been paid prior to the date on which the transfer is registered, then the Transferor shall be liable to account to the Purchaser for the amount of such dividend or other distribution (and the Purchaser, when making payment for Sale Shares, may set off such amount against the Transfer Price payable).

9.14 If the Company does not within the Offer Period, or (as the case may be) the period specified in Article 9.11, find Purchasers for all of the Sale Shares (including where the Transfer Notice validly contains a Total Transfer Condition which has not been satisfied) or finds Purchasers for some only of the Sale Shares, then (in addition to any Purchase Notice required to be given pursuant to Article 9.13) the directors shall within fourteen days of the end of the applicable period give a dated notice specifying the unsold Sale Shares ("**Release Notice**") to the Transferor and the Transferor may, at any time during the period of thirty days of the date of the Release Notice (subject always to Article 9.4), transfer those Sale Shares for which no Purchasers have been found (together with any Sale Shares whose purchase is through no default of the Transferor not completed in accordance with a Purchase Notice) by way of a bona fide sale at any price (not being less than the Transfer Price, after deducting (where appropriate) any dividend or other distribution declared or made after the date of the Transfer Notice and to be retained by the Transferor) provided that:

- (a) if the Transfer Notice contained a Total Transfer Condition, the Transferor shall only be entitled, except with the written consent of the directors, to transfer all (but not some only) of the unsold Sale Shares;
- (b) any such transfer shall be a transfer of all the legal title to, beneficial ownership of and rights attaching to the Sale Shares in question at the date of the transfer;
- (c) the directors may require to be satisfied that the Sale Shares are being transferred pursuant to a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the purchaser and, if they are not satisfied of this, they may refuse to register the transfer; and
- (d) if the Transferor does not transfer the unsold Sale Shares within the period of thirty days of the date of the Release Notice, then any future transfer or other disposal of or dealing with shares or any interest in shares (including unsold Sale Shares) held by the Transferor shall be subject to the provisions of these Articles.

- 9.15 With the consent in writing of members representing not less than 75 per cent in nominal value of all of the shares in the Company for the time being in issue carrying the right to attend and vote at general meetings of the Company] the provisions of this Article 9 and/or Article 10 may be waived in whole or in part in any particular case.

## 10. Compulsory Transfers

### 10.1 If:

- (a) any individual holder of A Ordinary Shares ("**an Employee Shareholder**") who is also employed or engaged as an employee, a director or a consultant (either directly or through a third party) of the Company or of any subsidiary undertaking of the Company ceases to be so employed or engaged other than by reason of:
  - (i) death;
  - (ii) retirement at normal retirement age,
  - (iii) a breach by the Company or any subsidiary undertaking of the Company of its obligations to the Employee Shareholder (or where applicable, the relevant third party) under any service contract, letter of appointment, consultancy agreement or similar contractual arrangement prompting his resignation and which, as a matter of law, is determined by an employment tribunal or a court of competent jurisdiction, to be constructive dismissal;
  - (iv) any action, omission or course of conduct by the Company or any subsidiary undertaking of the Company in connection with the Employee Shareholder's, engagement or employment with the Company or any subsidiary undertaking of the Company which, the Employee Shareholder can demonstrate to the reasonable satisfaction of the Company, makes it no longer reasonable for the Employee Shareholder to remain employed or engaged by the Company or any subsidiary undertaking of the Company (whether directly or through a third party); or
  - (v) any other circumstances where the Board, in its discretion, determines that the provisions of this Article 10 shall not apply.

within a period of three years from the date on which any A Ordinary Shares were issued or otherwise acquired by him and does not remain employed or engaged (either directly or through a third party) by the Company or any such subsidiary undertaking in any other capacity ("**Departing Individual**") then that Departing Individual and any Associate of his shall be deemed to have given a Transfer Notice in accordance with Article 9 on the date of such event in respect of any and all A Ordinary Shares in the Company then held by him or them; and

- (b) any former employee, director or consultant of the Company or of any subsidiary undertaking of the Company who does not remain employed or engaged (either directly or through a third party) by the Company or any such subsidiary undertaking in any capacity ("**Former Appointee**") shall, after ceasing to be so employed or engaged other than by reason of:
  - (i) death;
  - (ii) retirement at normal retirement age,
  - (iii) a breach by the Company or any subsidiary undertaking of the Company of its obligations to the Former Appointee (or where applicable, the relevant

third party) under any service contract, letter of appointment, consultancy agreement or similar contractual arrangement prompting his resignation and which, as a matter of law, is determined by an employment tribunal or a court of competent jurisdiction, to be constructive dismissal;

- (iv) any action, omission or course of conduct by the Company or any subsidiary undertaking of the Company in connection with the Former Appointee's, engagement or employment with the Company or any subsidiary undertaking of the Company which, the Former Appointee can demonstrate to the reasonable satisfaction of the Company, makes it no longer reasonable for the Former Appointee to remain employed or engaged by the Company or any subsidiary undertaking of the Company (whether directly or through a third party); or
- (v) any other circumstances where the Board, in its discretion, determines that the provisions of this Article 10 shall not apply.

within a period of three years from the date on which any A Ordinary Shares were issued or otherwise acquired by him, become entitled to be registered as the holder of A Ordinary Shares in the Company pursuant to a right or opportunity made available to him prior to ceasing to be so employed or engaged, he shall upon becoming so registered be deemed to have given a Transfer Notice in accordance with Article 9 in respect of any and all of such A Ordinary Shares.

10.2 In the circumstances set out in Article 10.1, the Transfer Price shall, in each case, be the sum agreed or determined in accordance with Article 9.8.

10.3 The decision of the directors as to whether a Departing Individual or Former Appointee has ceased to be an employee of or engaged by the Company or any subsidiary undertaking of the Company in the circumstances described in Article 10.1 above shall be binding upon the Departing Individual or Former Appointee (as the case may be) and, in the case of a Departing Individual, any relevant Associate of his.

10.4 If a member which is a body corporate:

- (a) has a winding up petition presented against it, resolves to be wound up voluntarily (other than as part of a genuine solvent reconstruction or amalgamation) or is placed into provisional liquidation or liquidation;
- (b) has a notice of intention to appoint an administrator served, an administration application made or administration order granted against it or an administrator appointed over it;
- (c) has a receiver, administrative receiver, fixed charge receiver or any other type of receiver, manager or interim manager appointed over the whole or part of its assets or undertaking;
- (d) obtains a moratorium under the Insolvency Act 1986 (as amended by the Insolvency Act 2000);
- (e) proposes any scheme of arrangement, compromise, composition or other form of arrangement with any of its creditors (whether or not approved/sanctioned);
- (f) is deemed to be unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986; or
- (g) becomes subject to any proceedings analogous to those listed in Article 10.4(a) to 10.4(f) (inclusive) in any jurisdiction outside of the United Kingdom,

then that member shall be deemed to have given a Transfer Notice in accordance with Article 9 on the day immediately preceding the date of the relevant event in respect of all shares in the Company then held by it and the Transfer Price shall be the sum agreed or determined in accordance with Article 9.8.

10.5 If:

- (a) a body corporate to which shares have been transferred (whether by one or a series of transfers) pursuant to Article 9.5(b) shall cease to be a Group Company (and shall not, prior to such event, have transferred all shares in the Company then held by it to a Group Company or to the First Transferor Company pursuant to Article 9.5(b)); or
- (b) an individual to whom shares have been transferred as a Privileged Relation pursuant to Article 9.5 shall cease to be a Privileged Relation of:
  - (i) in the case of a transfer pursuant to Article 9.5(c), the individual member who transferred the shares pursuant to that Article; or
  - (ii) in the case of a transfer pursuant to Article 9.5(e)(iii), Article 9.5(g) or Article 9.5(h), the individual member (or deceased or former individual member) by reference to whom the transfer was made; or
- (c) a body corporate to which shares have been transferred as a Family Company pursuant to Article 9.5 shall cease to be a Family Company in relation to:
  - (i) in the case of a transfer pursuant to Article 9.5(f), the individual member who transferred the shares pursuant to that Article; or
  - (ii) in the case of a transfer pursuant to Article 9.5(e)(iii), Article 9.5(g) or Article 9.5(h), the individual member (or deceased or former individual member) by reference to whom the transfer was made,

then it shall, in each case, be the duty of the relevant transferee to notify the directors forthwith in writing that such event has occurred and, if the directors shall by resolution so determine, that person shall be deemed to have given a Transfer Notice in accordance with Article 9 in respect of all shares in the Company held by him or it on the date specified in the resolution and the Transfer Price shall be the sum agreed or determined in accordance with Article 9.8.

10.6 If and whenever any shares held by trustees of a Family Trust come to be held otherwise than upon such Family Trust (except in connection with a transfer authorised by Article 9.5(e)) it shall be the duty of such trustees to notify the directors forthwith in writing that such event has occurred and, if the directors shall by resolution so determine, the trustees shall be deemed to have given a Transfer Notice in accordance with Article 9 in respect of all such shares on the date specified in the resolution and the Transfer Price shall be the sum agreed or determined in accordance with Article 9.8.

10.7 If a person becoming entitled to shares on death or bankruptcy does not deal with those shares as provided in Article 12.2 within a period of one year from the date of death or bankruptcy, and if the directors shall by resolution so determine, that person shall be deemed to have given a Transfer Notice in accordance with Article 9.8 in respect of all such shares (and any additional shares issued to him since the date on which his entitlement arose by way of capitalisation or acquired by him in exercise of any right or option arising by virtue of the holding of such shares or any of them or otherwise derived from such shares or such additional shares since the date on which his entitlement arose) on the date specified in the resolution and the Transfer Price shall be the sum agreed or determined in accordance with Article 9.8.

10.8 For the purpose of ensuring that a transfer of shares is permitted under these Articles or that no circumstances have arisen whereby a Transfer Notice is or may be required to be given under these Articles, the directors may at any time and from time to time require that any member or any person entitled to shares on the death or bankruptcy of a member or any person named as transferee in any transfer lodged for registration provide them with such information or evidence as they think fit regarding any matter which they may deem relevant for such purpose. Failing such information or evidence being provided to the satisfaction of the directors within twenty-eight days after such requirement has been made, then (in the case of a proposed transfer) the directors shall be entitled to refuse the transfer in question or (in any other case) the provisions of Article 10.9(c) shall apply.

10.9 If any person or persons shall:

- (a) purport to transfer or otherwise dispose of or deal with any share or any interest in any share otherwise than as permitted by these Articles; or
- (b) fail to notify the directors as required by Article 10.5 or Article 10.6; or
- (c) fail to provide any information or evidence required by the directors pursuant to Article 10.8 or shall provide information that is incomplete or inaccurate in any material respect,

then (and without prejudice to Article 9.3) if the directors shall by resolution so determine, the relevant person(s) shall be deemed to have given a Transfer Notice in accordance with Article 9 on the date specified in the resolution in respect of all shares in the Company then held by him or them and the Transfer Price shall be the sum agreed or determined in accordance with Article 9.8.

10.10 For the avoidance of doubt, any Transfer Notice deemed to be served under this Article 10 shall automatically supersede and cancel any then current Transfer Notice previously given under Article 9 insofar as it relates to the same shares (unless the purchase of any such shares has been completed pursuant to the earlier Transfer Notice).

## 11. **Redesignation of A Ordinary Shares as Ordinary Shares**

Any individual holder of A Ordinary Shares may, upon demonstrating to the reasonable satisfaction of the Board, that he has been employed or engaged as an employee, a director or a consultant (either directly or through a third party) of the Company or any subsidiary undertaking of the Company for a period of not less than three years since the date on which any A Ordinary Shares were issued or otherwise acquired by him require the Company, by notice in writing, to re-designate without notice to or the approval of shareholders those A Ordinary Shares held by him for such period as Ordinary Shares and the Company shall be entitled (by virtue of the authority given by the passing in a general meeting of the resolution creating the A Ordinary Shares and adopting these Articles) to re-designate such A Ordinary Shares as Ordinary Shares without notice to or the approval of the shareholders.

## 12. **Transmission of shares**

12.1 If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.

12.2 A person becoming entitled to a share in consequence of the death or bankruptcy of a member may (if a transfer to him by such member would be permitted under Article 9.5 and upon such evidence being produced as the directors may properly require in accordance with Article 10.8) elect to become the holder of the share by giving notice to the Company to that

effect or may transfer such share in accordance with Article 9.5(h). In the event that he fails so to act within the period set out in Article 10.7, the provisions of that Article shall apply.

- 12.3 A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before (if at all) being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

13. **Tag Along and Come Along**

- 13.1 Subject to Article 13.2, if the effect of any transfer of any equity shares ("**the Transfer**") would, if made, result in there being a Sale, the Transfer shall be void and shall not be registered unless the proposed transferee has unconditionally offered to purchase:

- (a) all of the other issued equity shares (other than shares held by any holder who is connected with or acting in concert with the proposed transferee of the shares the subject of the Transfer) on the same terms and conditions as those of the Transfer; and
- (b) all of the Preference Shares for a consideration not less than the Preferential Return.

Any such offer shall remain open for acceptance for not less than 21 days. No offer shall be required pursuant to this Article 13.1 if a Come Along Notice has been served under Article 13.2.

- 13.2 If any bona fide transfer of any equity shares ("**the Triggering Transfer**") would, if made, result in there being a Sale, the intending transferor (or, if there is more than one intending transferor, any of them) ("**the Calling Shareholders**") shall have the right to require all the other holders of equity shares ("**the Called Shareholders**") to transfer within five business days of a demand being made by the Calling Shareholders by notice in writing to the Called Shareholders all (but not some only) of their equity shares. The transfer shall be on the same terms and conditions as shall have been agreed between the Calling Shareholders and the proposed transferee and shall be accompanied by an unconditional offer to the holders of the Preference Shares to purchase all the Preference Shares for a consideration not less than the Preferential Return.
- 13.3 The right of the Calling Shareholders shall be exercised by the Calling Shareholders giving written notice to the Called Shareholders to that effect ("**the Come Along Notice**") accompanied by copies of all documents required to be executed by the Called Shareholders to give effect to the required transfer.
- 13.4 If the Triggering Transfer is to a person connected with any of the Calling Shareholders the rights conferred by this Article 13.2 shall only be exercisable if the terms on which the Called Shareholders are to be transferred are fair and reasonable (so far as the directors are concerned) and the substance of that advice can be relied upon by the Called Shareholders and is made known to the Called Shareholders in the documents which accompany the Come Along Notice.
- 13.5 If a Called Shareholder makes default in transferring its equity shares pursuant to Article 13.2 the provisions of Article 9.13(b) and 9.13(c) shall apply to the transfer of such shares *mutatis mutandis*.
- 13.6 The Triggering Transfer shall be void and shall not be registered unless the provisions of Article 13.2 are fully complied with.

14. **Disclosure of interest in Shares**

- 14.1 The directors may at any time require any member to furnish the Company with details of the beneficial interests in the shares held by such member.
- 14.2 If any person as referred to in Article 14.1 has been served with a notice under that Article and has failed to supply to the Company the information thereby required within 14 days in relation to such shares ("**Default Shares**"), the directors may direct in their absolute discretion at any time after the expiry of such 14 day period by means of a notice to the member holding such shares, that any or all of the following sanctions shall apply:
- (a) that any dividend or part thereof or other money which would otherwise be payable in respect of the Default Shares shall be retained by the Company without any liability to pay interest thereon when such money is finally paid to the member; and/or
  - (b) that no transfer of any of the shares held by such member shall be registered; and/or
  - (c) such member shall not be entitled in respect of any or all shares held by him to vote at a general meeting either personally or by proxy.
- 14.3 Where all or any of the sanctions in Article 14.2 apply in relation to any shares, they shall cease to have effect at the end of the period of 7 days (or such shorter period as the Board may determine) following receipt by the Company of the information required by the applicable notice or notices mentioned in Article 14.2 and the Board being fully satisfied that such information is full and complete.
15. **Proceedings at general meetings**
- 15.1 Regulation 41 shall apply as if the words "If a quorum is not present within half an hour from the time appointed for resumption of the meeting, the meeting shall be deemed dissolved" were inserted at the end of that regulation.
- 15.2 Regulation 45 shall apply as if the second and third sentences were deleted and the words "It shall not be necessary to give any notice of an adjourned meeting or of any business to be transacted at an adjourned meeting" were inserted in their place.
- 15.3 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
- 15.4 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman any error in such ruling shall not invalidate the proceedings on the substantive resolution. In the case of a resolution duly proposed as a special or extraordinary resolution, no amendment (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted on.
16. **Votes of members**
- 16.1 Regulation 54 shall apply as if the words "who is present in person or by proxy or (being a corporation) by a duly authorised representative" were inserted immediately after the words "and on a poll every member".
- 16.2 The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in any usual form or in a form approved by the directors. The appointment shall be valid for an adjournment of the meeting and shall be deemed to confer authority to vote on amendments to resolutions put to the meeting for which the authority is given or at an adjournment, unless in each case the appointment states otherwise.
- 16.3 Where it is desired to afford members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall be in any form which enables the members to direct how

their votes are to be exercised on each of the resolutions comprised in the business of the meeting for which it is to be used.

- 16.4 Regulation 62 shall apply as if the words "An appointment of a proxy which has not been deposited, delivered or received as required by this Article shall nonetheless be treated as valid if, before the close of business at the meeting at which the person named in the appointment proposes to vote, the appointment is produced to the chairman of such meeting" were inserted immediately after the words "and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid".

**17. Number and qualification of directors**

- 17.1 The minimum number of directors is one and, unless otherwise determined by ordinary resolution, there shall be no maximum number of directors. A sole director shall be entitled to exercise all the powers and discretions given to the directors by these Articles and the Act which are capable in law of being exercised by a sole director.

- 17.2 A director shall not require any share qualification but any director who is not a holder of shares shall nevertheless be entitled to receive notice of and attend and speak at any general meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

**18. Alternate directors**

- 18.1 Any director (other than an alternate director) may appoint any other director or any other person approved by resolution of the Board and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.

- 18.2 Any appointment or removal of an alternate director shall be by notice to the Company at the office or at a meeting of the directors from the director making or revoking the appointment or in any other manner approved by the directors and shall have immediate effect (unless otherwise specified).

- 18.3 An alternate director shall (subject to Article 24.2) be entitled to receive notice of all meetings of the directors, and of all meetings of committees of directors of which his appointor is a member, to attend, speak and vote at any such meeting at which his appointor is not present and generally to perform all the functions of his appointor as a director in the absence of such appointor. An alternate director, in his capacity as such, is not entitled to vote on a resolution on which his appointor is not entitled to vote.

- 18.4 An alternate director who is also a director or who acts as alternate director for more than one director shall have one vote for every director represented by him (in addition to his own vote if he is also a director).

- 18.5 An alternate director may be repaid by the Company such expenses as might properly be repaid to him if he were a director and he shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company from time to time direct, but he shall not otherwise be entitled to receive any remuneration from the Company in respect of such appointment.

- 18.6 Save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

- 18.7 An alternate director shall cease to be an alternate for his appointor if his appointor ceases for any reason to be a director and the appointment of an alternate shall also cease on the



happening in relation to him of any event upon which a director would be required to vacate his office under these Articles.

**19. Delegation of directors' powers**

19.1 The directors may delegate any of their powers to any committee consisting of such person or persons as they think fit provided that a majority of the members of any such committee are directors. The directors may also delegate to any director any of the powers exercisable by them.

19.2 Any such delegation may be made upon such terms and conditions and with such restrictions as the directors may think fit, and either collaterally with or to the exclusion of their own powers, and the directors may from time to time revoke, withdraw, alter or vary all or any of such powers. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of these Articles regulating the proceedings of directors so far as they are capable of applying.

**20. Appointment and retirement of directors**

20.1 The Company, by ordinary resolution, or the directors may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director. Any director so appointed shall hold office until he resigns or dies or is required to vacate office by virtue of the provisions of these Articles or the Act.

20.2 The directors are not subject to retirement by rotation.

**21. Disqualification and removal of directors**

21.1 The office of a director shall be vacated if:

- (a) 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
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) he becomes incapable by reason of illness or injury of acting as a director and the directors (excluding the director concerned and, in his capacity as such, any alternate appointed by him) resolve that his office be vacated; or
- (d) he resigns his office by notice delivered to the office or tendered at a meeting of the directors; or
- (e) he does not attend (nor does any alternate appointed by him attend in his place) three successive board meetings despite a notice being given to him prior to the third meeting that the provisions of this paragraph might apply and all the other directors resolve (the director concerned and, in his capacity as such, any alternate appointed by him being excluded from voting) that his office should be vacated.

21.2 A person may be appointed as a director whatever his age and no director shall be required to vacate his office by reason only of having attained a particular age.

**22. Remuneration of directors**

22.1 The directors shall be entitled to such remuneration for their services as such as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day. A director who has ceased to hold office when the resolution is passed shall, unless it otherwise provides, be

entitled to be paid the appropriate proportion of the remuneration voted to the directors for the period during which he held office.

- 22.2 The right of an executive director to remuneration fixed by the directors under regulation 84 shall be in addition to any remuneration fixed by the Company in general meeting under Article 22.1 (unless the resolution of the Company shall provide otherwise).

**23. Directors' appointments and interests**

- 23.1 Regulation 84 shall apply as if the final sentence of that regulation were deleted.

- 23.2 Subject to the provisions of the Act and provided that Article 23.3 is complied with, a director notwithstanding his office:

- (a) may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise;
- (b) may hold any other office or place of profit under the Company (except that of auditor of the Company or of a subsidiary of the Company) in conjunction with the office of director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the directors may arrange, either in addition to or in lieu of any remuneration provided for by any other Article;
- (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and
- (d) shall not by reason of such office be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, place of profit, employment, interest, contract, arrangement, transaction or proposal and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

- 23.3 A director who is in any way (directly or indirectly) interested in any contract, arrangement, transaction or proposal with the Company shall declare the nature of his interest at the meeting of the directors at which the question of entering into the contract, arrangement, transaction or proposal is first considered, if he knows his interest then exists or, in any other case, at the first meeting of the directors after he knows that he is or has become so interested. For the purposes of this Article:

- (a) a general notice given to the directors by a director that he is to be regarded as having an interest of the nature and extent specified in the notice in any contract, transaction, arrangement or proposal in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such contract, transaction, arrangement or proposal of the nature and extent so specified;
- (b) a general notice given to the directors by a director that he is a member of a specified company or firm and is to be regarded as interested in any contract, transaction, arrangement or proposal made with that company or firm after the date of the notice shall be deemed to be a disclosure that the director has an interest in any such contract, transaction, arrangement or proposal; and

- (c) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

**24. Proceedings of directors**

- 24.1 Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit.
- 24.2 A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting of the directors to a director (or an alternate director) who is absent from the United Kingdom unless he has requested the Board by instrument or by electronic communication to such address (if any) as the Company may for the time being specify for that purpose that notices of Board meetings shall during his absence be sent to him (i) at another address given by him to the Company for this purpose, whether or not outside the United Kingdom or (ii) by electronic communication to such address (if any) as he may for the time being specify to the Company for that purpose, but in either case he shall not be entitled to a longer period of notice than if he had been present in the United Kingdom. A Director may waive notice of any Board meeting either prospectively or retrospectively. A Notice calling a meeting of the directors need not be in writing or given by electronic communication.
- 24.3 Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.
- 24.4 The quorum necessary for the transaction of the business of the directors may be fixed by the directors and until so fixed shall be one if only one director shall be in office and two if there shall be more than one director in office. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 24.5 Regulation 91 shall apply as if the words "The Company may appoint and remove the chairman of the board of directors by ordinary resolution. If and for so long as the position of chairman is vacant," were inserted immediately before the words "the directors may appoint one of their number" in the first sentence.
- 24.6 Any director or his alternate may validly participate in a meeting of the directors or of a committee of the directors 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 participating in this way shall be deemed to be present in person at the meeting and (save as otherwise provided in these Articles) shall accordingly be counted in a quorum and entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no group which is larger than any other group, where the chairman of the meeting then is.

**25. Interested Director not to vote or count for quorum**

- 25.1 Save as provided in this Article, a Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any contract, arrangement, transaction or any proposal whatsoever to which the Company is or is to be a party and in which he is to his knowledge materially interested unless the resolution concerns any of the following matters:
- (a) the giving to him of any guarantee, security or indemnity in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving to a third party of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has

assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;

- (c) the subscription or purchase by him of any shares, debentures or other securities of the Company or any of its subsidiaries pursuant to any offer or invitation or the underwriting or sub-underwriting by him of any such shares, debentures or other securities;
- (d) any contract, arrangement, transaction or proposal in which he may be interested by virtue of his being interested in, and in the same manner as other holders of, shares, debentures or other securities of the Company or any of its subsidiaries or otherwise in or through the Company;
- (e) any contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning any other company (including any subsidiary of the Company) ("**a relevant company**") in which he is interested, directly or indirectly (and whether as an officer or shareholder, creditor or otherwise) provided that he is not directly or indirectly the holder of or beneficially interested in one per cent or more of either a relevant company or an intermediate company (any such interest being deemed for the purposes of this Article to be a material interest in all circumstances); for the purpose of this paragraph (e):
  - (i) an intermediate company means a company having an interest in a relevant company which would be material if held by a Director;
  - (ii) a Director shall be deemed to have an interest in one per cent or more of a relevant company or an intermediate company if directly or indirectly he is the holder of or beneficially interested in one per cent or more of any class of equity share capital or of the voting rights available to members of either such company; and
  - (iii) there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or is in remainder (if and so long as some other person is entitled to receive the income from the trust) and any shares comprised in any authorised unit trust scheme in which the Director is interested only as a unit holder;
- (f) any contract, arrangement, transaction or proposal concerning the adoption, modification or operation of a pension fund, retirement, death or disability benefits scheme or personal pension plan under which he may benefit and which either (i) has been approved by or is subject to and conditional on approval by the relevant taxing authorities for taxation purposes or (ii) relates to both employees and Directors of the Company (or any of its subsidiaries) and does not accord to any Director as such any privilege or advantage not accorded to the employees to which such scheme or fund relates;
- (g) any arrangement for the benefit of employees of the Company or of any of its subsidiaries under which the Director benefits in a similar manner to the employees and which does not accord to any Director as such any privilege or advantage not generally accorded to the employees to whom such arrangement relates; and
- (h) any contract, arrangement, transaction or proposal concerning the purchase and/or maintenance of any insurance policy pursuant to Article 30.2.

25.2 The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.

- 25.3 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote which is not resolved by his voluntarily agreeing to abstain from voting, the question (except where the director concerned is the chairman of the meeting) may be referred to the chairman of the meeting for his ruling before the meeting concludes. If the question concerns the chairman, it shall be decided by a resolution of the directors, for which purpose the chairman shall not be entitled to vote. The chairman's ruling or the resolution of the directors shall be conclusive unless the nature and extent of the interest of the director or the chairman which is relevant for making the ruling or considering the resolution (so far as it is known to him) has not been fairly disclosed to the meeting.

**26. The seal**

The seal, if any, shall only be used with the authority of the directors or of a committee of directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or a second director. The obligation in regulation 6 relating to the sealing of share certificates shall apply only if the Company has a seal. A document signed by a director and the secretary or by two directors and expressed to be executed by the Company has the same effect as if executed under the seal.

**27. Notices**

The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the Company by the member. In the case of joint holders of a share, service or delivery of any notice or other document on or to any one of the joint holders shall for all purposes be deemed as sufficient service on or delivery to all the joint holders. In this Article, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.

**28. Winding up**

If the Company is wound up the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division may be otherwise than in accordance with the existing rights of the members, but if any division is resolved otherwise than in accordance with such rights, the members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to section 110 of the Insolvency Act 1986. The liquidator may, with the like sanction, vest the whole or any part of the whole of the assets in trustees on such trusts for the benefit of the members as he with the like sanction shall determine, but no member shall be compelled to accept any assets on which there is a liability.

**29. Single member company**

If at any time, and for as long as, the Company has a single member and in the absence of any express provision to the contrary, all of the provisions of these Articles shall apply with such modification as may be necessary in relation to a company with a single member.

**30. Indemnity and insurance**

- 30.1 Subject to the provisions of the Act (but without prejudice to any indemnity to which a director or other officer of the Company may otherwise be entitled), the directors may exercise the power of the Company to:

- (a) indemnify any director or other officer (other than any person engaged as auditor) of the Company out of the assets of the Company against any liability in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company, provided that, in the case of a director, no indemnity may be provided against any such liability incurred by him unless such indemnity is provided pursuant to a "qualifying third party indemnity provision" within the meaning of the Act; and/or
  - (b) provide any director or other officer (other than any person engaged as auditor) of the Company with funds to meet expenditure incurred or to be incurred by such director or other officer in defending any criminal or civil proceedings, or in connection with an application to the court for relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company or do anything to enable a director or other officer to avoid incurring such expenditure.
- 30.2 Without prejudice to Article 30.1 but subject to the provisions of the Act, the directors may exercise the power of the Company to purchase and maintain insurance at the expense of the Company for the benefit of directors or other officers (other than any person engaged as auditor) of the Company against any liability which attaches to them or loss or expenditure which they incur in relation to anything done or omitted or alleged to have been done or omitted as directors or officers.