

Company Number 5384316

THE COMPANIES ACT 2006

PUBLIC LIMITED COMPANY

ARTICLES OF ASSOCIATION

- of -

McLAREN CONSTRUCTION GROUP PLC
(Adopted by Special Resolution passed on 14 December 2012)

SATURDAY



R10BVF9T
RM 22/12/2012 #299
COMPANIES HOUSE

PRELIMINARY

1 In these Articles unless the context otherwise requires .

"the Act" means the Companies Act 2006

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

"Auditors" means the auditors for the time being of the Company, or, if the Company has no auditors, its accountants

"Model Articles" means the model articles for public companies contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles

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

Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise

Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of

- (a) any subordinate legislation from time to time made under it, and
- (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

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

- 2. (A) The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles
- (B) Articles 14, 16, 20, 21, 36, 63(5), 66, 67 and 85 of the Model Articles shall not apply to the Company, but the Articles hereinafter contained and the remaining articles of the Model Articles, subject to the modifications hereinafter expressed, shall constitute the regulations of the Company

CALLS

- 3 The liability of any member in default in respect of a call notice shall be increased by the addition at the end of Article 57(1)(b) of the Model Articles of the words "and all expenses that may have been incurred by the Company by reason of such non-payment"

SHARE CAPITAL

- 4. (A) The authorised share capital of the Company is £3,050,000 divided into 10,000 ordinary "A" shares of £1 each, 10,000 ordinary "B" shares of £1 each, 10,000 ordinary "C" shares of £1 each, 10,000 ordinary "D" shares of £1 each, 10,000 ordinary "E" shares of £1 each and 3,000,000 non-cumulative redeemable preference shares of £1 each ("the Redeemable Shares") The "A" shares, the "B" shares, the "C" shares, the "D" shares and the "E" shares shall be separate classes of shares and shall carry the rights as regards income set out in Article 4 (B), but in all other respects shall rank *pari passu* The Redeemable Shares shall carry the rights set out in Article 4 (C)
- (B) (i) The "A" shares shall entitle the holders to receive such dividends and other distributions as shall be resolved to be distributed to holders of the "A" shares out of the profits of the Company available for distribution
- (ii) The "B" shares shall entitle the holders to receive such dividends and other distributions as shall be resolved to be distributed to holders of the "B" shares out of the profits of the Company available for distribution

- (iii) The "C" shares shall entitle the holders to receive such dividends and other distributions as shall be resolved to be distributed to holders of the "C" shares out of the profits of the Company available for distribution.
 - (iv) The "D" shares shall entitle the holders to receive such dividends and other distributions as shall be resolved to be distributed to holders of the "D" shares out of the profits of the Company available for distribution
 - (v) The "E" shares shall entitle the holders to receive such dividends and other distributions as shall be resolved to be distributed to holders of the "E" shares out of the profits of the Company available for distribution
- (C) The Redeemable Shares shall confer on their holders the following rights
- (i) As to income, in priority to the payment of any dividend or other distribution to the holders of ordinary shares, a fixed non-cumulative preferential dividend of 0.01% of the par value of the Redeemable Shares in issue as at the end of each relevant financial year out of the profits of the Company available for distribution,
 - (ii) The Company shall have the right, at any time to redeem any or all of the Redeemable Shares at par and in the case of a partial redemption proportionately in respect of each holding of the Redeemable Shares,
 - (iii) Not less than one month's notice of the intention of the Company to redeem shall be given to the holders of the Redeemable Shares to be redeemed. The notice shall be in writing and shall fix the time and place for redemption. At the time and place fixed, the registered holders of the Redeemable Shares to be redeemed must deliver the relative certificates up to the Company for cancellation, and the Company shall pay to them the redemption money in respect of the Redeemable Shares,
 - (iv) At the time fixed for redemption of any of the Redeemable Shares any right to dividend shall cease,
 - (v) If any holder of the Redeemable Shares fails or refuses to surrender the certificate or certificates for those shares, or fails or refuses to accept the redemption money payable in respect of them, the redemption money shall be retained and held by the Company but without interest or further obligations whatsoever;
 - (vi) Upon the liquidation of the Company the right to repayment, in priority to any payment to the holders of any Ordinary shares in the capital of the Company, of the par value of the Redeemable Shares,
 - (vii) no voting rights

ISSUE OF NEW SHARES

5. (A) The directors shall have general and unconditional authority (limited in time as hereinafter provided) to allot any relevant securities up to the maximum amount hereinafter laid down. The maximum amount of relevant securities which may be allotted under the authority hereby conferred shall be that which would result in the issue of all the shares in the Company for the time being unissued. Subject to Section 551(3) and Section 551(4) of the Act, the authority hereby conferred shall expire five years after the date of adoption of these articles unless renewed (with or without variation) by the Company in general meeting at any time and from time to time before or after the date on which it would otherwise have expired.
- (B) The Company may at any time and from time to time prior to the expiry of the authority conferred by paragraph (A) of this Article or any renewal thereof make any offer or agreement which would or might require relevant securities to be allotted after such expiry.
- (C) Save as the Company may by Extraordinary Resolution otherwise direct, any relevant securities at the date of adoption of these Articles and any relevant securities hereafter created shall before issue be offered for subscription in the first instance to the existing holders of ordinary shares in proportion as nearly as the circumstances will admit to the number of ordinary shares then held by each of them respectively. At the expiration of the time limit specified by such offer for the acceptance of such relevant securities the balances of any relevant securities offered to the holders of ordinary shares but not so accepted shall be offered for subscription to those holders of ordinary shares who have accepted all the relevant securities to which they are respectively entitled and who shall, if more than one, be entitled to subscribe for such balances of relevant securities in the proportion as nearly as the circumstances will admit to the number of the ordinary shares then held by each of them respectively.
- (D) Any such offer as aforesaid shall be made by notice in writing specifying the number of relevant securities and the price at which the same are offered and limiting the time (not being less than twenty-eight days unless the member to whom the offer is to be made otherwise agrees) within which the offer if not accepted will be deemed to be declined.
- (E) The Directors may dispose of any new relevant securities not disposed of pursuant to the foregoing provisions in such manner as they think most beneficial to the Company; the Directors may likewise so dispose of any relevant securities which (by reason of the ratio which the relevant securities bear to ordinary shares held by persons entitled to an offer of relevant securities) cannot, in the opinion of the Directors, be conveniently offered under this sub-article. But any disposal shall not be at a price which is lower than the price at which the existing holders of ordinary shares shall have been invited to subscribe for such relevant securities.

- 6 The provisions of Article 5 of these Articles shall apply to all new shares and all new shares created on any increase of capital shall be subject to the same provisions with reference to the payment of calls, transfers, transmission, forfeiture, lien and otherwise as if they had been part of the capital at the date of the adoption of these Articles

SHARE CERTIFICATES

- 7 Every certificate issued in accordance with Article 46(1) of the Model Articles shall be sealed with the seal or executed as a deed in any manner from time to time permitted by law and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon

LIEN

- 8 The lien conferred by Article 52 of the Model Articles shall apply to all shares of the Company whether fully paid or not and to all shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of several joint holders. The said Article 52 of the Model Articles shall be modified accordingly

TRANSFER OF SHARES

- 9 (A) Subject to Articles 10 and 11 of these Articles and unless in any particular case all the holders of ordinary shares in the Company for the time being otherwise agree in writing, none of the relevant securities of the Company shall be transferred and the Directors shall not register any transfer of any relevant securities except in accordance with the provisions contained in this Article
- (B) Every holder who wishes to transfer any of his relevant securities or to dispose of any interest therein (hereinafter referred to as "Vendor") shall serve upon the Company a notice in writing of his wish so to do accompanied by the relevant certificates. Such notification (hereinafter called "the Transfer Notice") shall state the number and class of relevant securities which the Vendor wishes to transfer or dispose of and shall constitute the Directors his agents for the sale of such relevant securities (together with all rights attached thereto) (hereinafter called "the Sale Shares") at the fair value (as hereinafter defined) and (save as hereinafter provided) shall not be withdrawn. Where a Transfer Notice is given or deemed to be given in respect of more than one class of relevant securities it shall be deemed for the purpose of this Article to comprise a number of separate Transfer Notices, one in respect of each such class.
- (C) For the purposes of this Article the fair value shall be such price as shall be agreed between the Vendor and the Directors within twenty-eight days after the service of the Transfer Notice or failing such agreement shall be certified in writing by the Auditors acting as experts and not as arbitrators by reference to the value of the business of the Company (and that of any subsidiary of the Company) as a going concern as at the date upon which the Transfer Notice

was served or deemed to have been served upon the Directors and on the basis that the transaction shall be deemed to be an arm's length transaction as between a willing vendor and a willing purchaser. In determining the fair value, the Auditors shall value the relevant securities which are the subject of a Transfer Notice as a rateable proportion of the total value of all the issued relevant securities of the Company of that class which value shall not be discounted or enhanced by reference to the number of relevant securities which are the subject of the Transfer Notice. The decision of the Auditors will be final and binding on the parties and the costs of the Auditors shall be borne as to one half by the Vendor and as to the other half by the persons who purchase the relevant securities which are the subject of the Transfer Notice unless either the Vendor withdraws the Transfer Notice or none of the holders of ordinary shares purchases any of the relevant securities which are the subject of the Transfer Notice in which events the Vendor shall bear all such costs.

- (D) In case where the fair value has been referred to the Auditors the Directors shall within twenty-eight days of the receipt by them of the Auditors' certificate as to such fair value notify the Vendor of the fair value so certified and the Vendor shall have the right, by counternotice in writing to the Company to be served upon the Directors within twenty-eight days after service upon him of such notification, to withdraw the Transfer Notice given by him and in the event of such withdrawal the same shall cease to have effect and the Directors shall return the certificates for the Sale Shares to the Vendor.
- (E) On the fair value being agreed between the Vendor and the Directors (or if on the fair value of the Sale Shares having been certified by the Auditors as aforesaid the Vendor has not given a counternotice operating to withdraw the Transfer Notice within the period of twenty-eight days pursuant to paragraph (D) hereof) the Directors shall forthwith either, if in their absolute discretion they shall consider it appropriate so to do, cause or procure the necessary steps to be taken to enable the Company to purchase the Sale Shares or, if the Directors shall not consider it appropriate so to do, or if the Directors shall fail in their attempt to cause or procure such necessary steps to be taken, offer the Sale Shares to the holder of ordinary shares specified by sub-clause (F) below giving details of the number and price (being the fair value) of such Sale Shares. The Directors shall invite each such offeree as aforesaid to state in writing within twenty-eight days from the date of the notice whether he is willing to purchase any of the Sale Shares so offered to him and if so the maximum number thereof. If at the expiration of the said period of twenty-eight days there are any Sale Shares offered which such offeree has not so stated his willingness to purchase the Directors shall offer such Sale Shares to the Holders of ordinary shares next entitled under sub-clause (F) pro rata as nearly as may be in proportion to the existing numbers of ordinary shares then held by them which offer shall remain open for a further period of twenty-eight days. If at the expiration of the said period of twenty-eight days there are any Sale Shares offered which any of the offerees hereinbefore mentioned has not so stated his willingness to purchase the Directors shall offer such Sale Shares to such holders of ordinary shares as have stated in writing their willingness to purchase all the Sale Shares previously offered to them pro rata.

as nearly as may be in proportion to the existing numbers of ordinary shares then held by them which offer shall remain open for a further period of twenty-eight days

(F) The Directors shall offer the Sale Shares in accordance with sub-clause (E) above

- (1) if the Vendor is Mr. K R Taylor, first to Mr Pringle, second to Mr. Feast and third to holders of ordinary shares who are employees of the Company,
- (2) if the Vendor is Mr R Feast, first to Mr K R Taylor, second to Mr P Pringle and third to holders of ordinary shares who are employees of the Company,
- (3) if the Vendor is Mr P Pringle, first to Mr K R Taylor, second to Mr. R Feast and third to holders of ordinary shares who are employees of the Company,
- (4) if the Vendor is an employee or former employee (other than Mr K R Taylor, Mr R Feast or Mr P Pringle) of the Company, first to Mr K.R. Taylor, second to Mr Pringle, third to Mr. Feast and fourthly to all other holders of ordinary shares who are employees of the Company.

(G) (i) If the Directors shall pursuant to the above provisions of this Article find a holder or holders of ordinary shares willing to purchase all or any of the Sale Shares pursuant to the foregoing provisions of this Article, the Vendor shall be bound, upon receipt of the fair value, to transfer the Sale Shares (or such of the same for which the Directors shall have found a purchaser or purchasers) to such persons

(ii) If the Directors shall not have found a holder or holders of ordinary shares willing to purchase all of the Sale Shares pursuant to the foregoing provisions of this Article, the Directors shall within two months of the expiry of the final offer made by them pursuant to paragraph (E) above be entitled to seek a purchaser or purchasers approved by them (not being a holder or holders of ordinary shares) for the Sale Shares at any price not less than the fair value of the Sale Shares and if the Directors shall find such a purchaser or purchasers within such period, the Vendor shall be bound, upon receipt of the fair value, to transfer the Sale Shares (or such of the same for which the Directors shall have found a purchaser or purchasers) to such person or persons

(iii) If the Vendor shall make default in transferring Sale Shares pursuant to his obligations under the foregoing provisions of this paragraph (G), the Directors shall, if so required by the person or persons willing to purchase such Sale Shares, receive (if the same has not already been received by the Vendor) and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of

the purchasers, and the Directors shall enter the names of the purchasers in the register of members or other applicable register the holders of such of the Sale Shares as shall have been transferred as aforesaid

Provided that if the Transfer Notice shall state that the Vendor is not willing to transfer part only of the shares concerned the Vendor shall not be obliged to transfer any of the Sale Shares unless the Directors shall have found purchasers for all such shares

- (H) If the Directors shall not have found a holder or holders of ordinary shares willing to purchase all of the Sale Shares pursuant to the foregoing provisions of this Article, the Vendor shall be at liberty to sell and transfer such of the Sale Shares as have not been so sold at any time within six months after the expiry of the period of two months after the expiry of the final offer made by the Directors pursuant to paragraph (E) above to any person at a price being no less than the fair value and the Directors shall be bound to register the instrument or instruments of transfer Provided that (i) if the Transfer Notice shall state that the Vendor is not willing to transfer part only of the shares concerned he shall not be entitled hereunder to transfer any of such shares unless in aggregate the whole of such shares are so transferred, and (ii) the Directors may require to be satisfied that such shares are being transferred in pursuance of the bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument or instruments of transfer
 - (I) Any notice required to be served in accordance with the provisions of this Article may be served, in the case of notice to the Company, by being left at or sent by registered first-class post to the registered office of the Company, addressed to the Directors, and, in the case of notice to the Vendor or any other person, by being left at or sent by registered first-class post to the last registered address of the Vendor or that person (as the case may require), and if sent by post shall be deemed to be duly served on the third working day next following the day when the same was posted.
- 10 (A) The provisions of Article 9 above shall not apply and the Directors shall be bound to register any transfers of relevant securities by any holder of relevant securities being a company to a Member of the same Group as the Transferor Company
- (B) For the purposes of this Article and Article 11 below
- (i) the expression "a Member of the same Group" in relation to a company, means a company which is for the time being a holding company or a subsidiary (as defined in Section 1159 of the Act) of that company or of any such holding company,
 - (ii) the expression "Transferor Company" means a company (other than a Transferee Company) which has transferred or proposes to transfer relevant securities to a Member of the same Group,

- (iii) the expression "Transferee Company" means a company for the time being holding relevant securities in consequence, directly or indirectly, of a transfer or series of transfers of shares between Members of the same Group (the relevant Transferor Company in the case of a series of such transfers being the first transferor in such series)

11. (A) A Transfer Notice under Article 9 above shall be given in writing, unless the Directors otherwise agree

- (i) by the personal representatives of any holder of relevant securities within 30 days after the grant of probate or letters of administration, in respect of all the relevant securities registered in the name of that holder, and
- (ii) by the trustees in bankruptcy of any holder of relevant securities, within 30 days after such holder being adjudged bankrupt, in respect of all the relevant securities registered in the name of that holder; and
- (iii) by any person, firm or company who or which becomes beneficially entitled to ownership of any relevant security as a result of the grant by any holder of relevant securities of any mortgage, charge or other security interest or encumbrances over any relevant securities, within 30 days after such mortgage, charge or other security interest or encumbrance becomes enforceable or exercisable, in respect of all the relevant securities registered in the name of that holder and subject to such mortgage, charge or other security interest which has become enforceable or exercisable, and
- (iv) by a Transferee Company if that Transferee Company ceases to be a Member of the same Group as the Transferor Company from which (whether directly or by a series of transfers under Article 11(A) above) relevant securities held by such Transferee Company were derived, within 30 days of such event occurring (unless the relevant securities are thereupon transferred to the Transferor Company or a Member of the same Group as the Transferor Company any such transfer being deemed to be authorised under the provisions of Article 11 above) in respect of all the relevant securities then held by such Transferee Company; and
- (v) by a receiver, manager, administrative receiver, administrator or liquidator who is appointed over the whole or any part of the assets or undertaking of a corporate holder of relevant securities, within 30 days of his appointment, in respect of all the relevant securities held by that corporate holder, and
- (vi) subject to A(i)-(v) above, forthwith by any registered holder of relevant securities who is not, or ceases to be, the beneficial owner of any relevant securities, in respect of all relevant securities registered in the name of that holder unless a transfer to the beneficial owner would be permitted under Article 10(A) above, and

- (vii) by any holder of relevant securities who is an employee of the Company or any of its subsidiaries forthwith upon that holder ceasing to be a full-time employee of the Company or any of its subsidiaries, in respect of all relevant securities registered in the name of that holder; provided that
 - (a) this sub-clause (vii) shall not apply to Mr. K R. Taylor, and
 - (b) in the case of Mr Feast he shall be treated as a full-time employee for so long as he is employed for at least three days each week
- (B) The Directors may from time to time require any holder of relevant securities or other person entitled to transfer a relevant security or any person named as the transferee in any transfer lodged for registration to provide the Company with such information and evidence as the Directors may consider necessary to ensure that any transfer lodged for registration is authorised under these Articles or that no circumstances have arisen in which a Transfer Notice ought to be given. If such information or evidence shall not be provided to the satisfaction of the Directors within a reasonable time or shall disclose that any such circumstances have arisen the Directors shall be entitled to refuse to register the transfer concerned or (as the case may be) to require by notice in writing that a Transfer Notice under Article 9 above be given in respect of the relevant securities concerned
- (C) If a Transfer Notice in respect of any relevant securities is not given within 30 days after being required by the Directors to be given in accordance with the provisions of paragraph (B) of this Article, a Transfer Notice under Article 9 above shall be deemed to have been given at the expiry of such 30 days in respect of those relevant securities (other than any relevant securities in respect of which a transfer authorised by Article 10 above has been lodged for registration before the expiry of such 30 days)
- (D) The provisions of sub-clause (D) and the proviso to sub-clause (G) of Article 9 above shall not apply to any Transfer Notice given or deemed to have been given pursuant to the provisions of (A), (B) or (C) above and for the purposes of the operation of the provisions of that Article the Vendor shall be deemed to have agreed the fair value certified by the Auditors
- (E) In Article 60(2)(c) of the Model Articles the words "subject to the provisions of the Companies Acts and Articles 9, 10 and 11 of the Company's Articles of Association" shall be inserted after the word "may"
- (F) The obligation imposed on a holder of relevant securities by the provisions of paragraphs (A), (B) and (C) above shall continue to subsist until complied with and shall not be deemed to be waived by any failure by the Directors to take the steps necessary under Article 9 to transfer the relevant securities.

PROCEEDINGS AT GENERAL MEETINGS

- 12 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman or by any member present
13. The chairman shall not have a casting vote on an equality of votes, whether on a show of hands or on a poll at any general meeting
- 14 If at any adjourned meeting of members of the Company a quorum is not present within half an hour from the time appointed for the meeting, the members or members present shall be a quorum
- 15 A proxy shall be entitled to vote on a show of hands and Article 38 of the Model Articles shall be modified accordingly
- 16 A Director or the secretary of a corporation which is for the time being a member shall be deemed to be a person authorised to execute a written resolution on behalf of that corporation.

DIRECTORS

- 17 A Director shall not be required to hold any qualification shares in the Company, but nevertheless shall be entitled to attend and speak at any general meeting and at any separate general meeting of the holders of any class of shares in the capital of the Company
- 18 A Director shall be paid such remuneration by way of salary, commission or percentage of profits or otherwise as the Directors may determine Article 23 of the Model Articles shall be modified accordingly

POWERS AND DUTIES OF DIRECTORS

19. Subject to the provisions of the Act a Director may be interested directly or indirectly in any contract or arrangement with the Company or with any other company in which the Company may be interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any subsidiary thereof) under the Company or any such other company and he or any firm of which he is a member may act in a professional capacity for the Company or any such other company and be remunerated therefor. Notwithstanding his interest a Director may vote on any matter in which he is interested and be included for the purpose of a quorum at any meeting at which the same is considered and he may return for his benefit all profits and advantages accruing to him

APPOINTMENT AND DISQUALIFICATION OF DIRECTORS

- 20 Subject to the powers of the Company under Section 168 of the Act, the Directors shall have power at any time and from time to time to appoint any person or persons to be a Director or Directors, either as an addition to the existing Directors or to fill any vacancy, or to remove from office any Director howsoever appointed

21. (A) The following words shall be added to the Model Articles as a new Article 22(g) "he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated "
- (B) Article 22(g) of the Model Articles shall not apply if the absent Director shall have appointed an alternate Director who has not been similarly absent during the period referred to therein.

ALTERNATE DIRECTORS

- 22 In Article 25(1) of the Model Articles the words "(such approval not to be unreasonably withheld)" shall be inserted after the words "approved by resolution of the directors"
- 23 (A) The remuneration of an alternate Director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such part (if any) of such remuneration as shall be agreed between the alternate Director and the Director appointing him Article 26(4) of the Model Articles shall be modified accordingly
- (B) The alternate Director shall benefit from the indemnity set out in Article 27
- 24 Any Director or member of a committee of the Directors may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting

DIVIDENDS

25. Dividends shall be declared and paid according to the amounts paid up or credited as paid up on the shares on which the dividend is paid Article 71 of the Model Articles shall be construed accordingly.

SALE OF CONTROLLING INTEREST

- 26 (A) The following provisions of this Article shall not apply to any transfer of shares to Mr K R Taylor
- (B) No sale or transfer of any share (the "Specified Shares") conferring the right to vote at general meetings of the Company shall, if resulting (if made and registered) in a person (or persons) obtaining or increasing a controlling interest in the Company, be made or registered unless not less than 21 days before the transfer is lodged for registration the proposed transferee or his nominee has offered to purchase all of the issued shares of the Company at the Specified Price as hereinafter defined such offer to remain open for acceptance for not less than 21 days.

(C) For the purpose of sub-Article (B) above .

- (1) the expressions "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment or renounceable share certificate and the original allottee and the renounee under any such letter of allotment or certificate,
- (2) the expression "a controlling interest" shall mean the legal or beneficial ownership by a person or his connected persons (as defined in Section 839 of the Income and Corporation Taxes Act 1988) of 50% of the shares having an unrestricted right to vote at a general meeting of the Company provided that the holding by any person of legal title to any shares solely by virtue of his being a trustee of an employee trust in which such person has no beneficial interest shall not be aggregated with any other shares held legally or beneficially by such person in any other capacity for the purposes of this sub-Article
- (3) "the Specified Price" shall mean a price per share at least equal to that offered by the proposed transferee or transferees for the Specified Shares together with all arrears and accruals of dividend or interest thereon together with an amount equal to the relevant proportion of any other consideration (in case or otherwise) received or receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Specified Shares; and
- (4) in the event of disagreement about the calculation of the Specified Price it shall be referred to an umpire (acting as expert and not as arbitrator) nominated by the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales or its successors) whose decision shall be final and binding

(D) The provisions of Article 9 above shall not apply to any offer to purchase all the issued shares of the Company pursuant to this Article 26

INDEMNITY

27. Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 660, Section 661 or Section 1157 of the Act in which relief is granted to him by the court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto But this Article shall only have effect insofar as its provisions are not avoided by Section 532 or Section 533 of the Act