

DRL HOLDINGS LIMITED

THE COMPANIES ACTS 1985 and 2006

Copy resolutions of the type and in the terms specified below as passed by the members of the Company named above by way of written resolution on **29 JULY** 2008

ORDINARY RESOLUTIONS

- 1 **THAT** the authorised share capital of the Company be increased from £2,274,946 83 to £2,276,021 27 by the creation of

- (a) 3,105 "B" Ordinary Shares of £0 01 each,
- (b) 6,608 "C" Ordinary Shares of £0.01 each,
- (c) 11,110 "D" Ordinary Shares of £0 01 each,
- (d) 16,103 "E" Ordinary Shares of £0 01 each,
- (e) 70,518 "F" Ordinary shares of £0 01, and



having the rights and being subject to the restrictions set out in the Company's Articles of Association

- 2 **THAT** the directors of the Company be generally and unconditionally authorised and empowered pursuant to 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 of the Act) up to an aggregate nominal amount of £1,074 44 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) six months after the date of the passing of this resolution provided that the Company may make an offer or agreement which would or might require relevant securities to be allotted after expiry of this authorised and the directors may allot relevant securities to be allotted after expiry of this authority

SPECIAL RESOLUTION

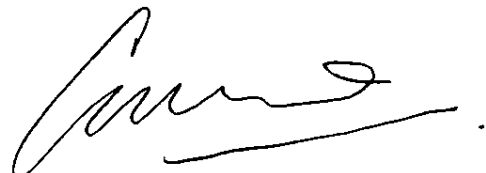
- 3 **THAT** subject to the passing of the Ordinary Resolutions set out as Ordinary Resolutions 1 and 2 above
- (a) the draft regulations attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association, and
 - (b) the directors of the Company be and they are empowered pursuant to section 95 of the Companies Act 1985 (the "Act") to allot equity securities (within the meaning of section 94(2) to section 94(3A) of the Act) wholly for cash at such price per share as they shall in their sole discretion determine pursuant to the authority conferred by the Ordinary Resolutions set above as if section 89(1) of the Act did

not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities to Mr Richard Rose and shall expire six months from the date of this resolution save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired



Director

Dated 21 OCTOBER, 2008



CHARLOTTE

**THE COMPANIES ACTS 1985 AND 2006
COMPANY LIMITED BY SHARES**


NEW

ARTICLES OF ASSOCIATION

DRL HOLDINGS LIMITED

Adopted by a written resolution dated **29.07** 2008

**Atticus Legal LLP Solicitors
Steam Packet House
76 Cross Street
Manchester
M2 4JU**



1 6 2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa

2. Definitions

In these articles the following words and expressions shall have the following meanings

"A" Ordinary Shares" means "A" ordinary shares of £0.01 each in the capital of the Company,

"Appropriate Percentage" means the percentage that results from the formula $\frac{(1825-A)}{1825} \times 100$

1825

where A means the number of days on which the Leaver who is not a Bad Leaver was employed by or a director of the Company or any Group Company (including for this purpose DRL Limited) after 20th November 2005

Asset Sale means the completion of any transaction whereby any person or group of persons purchase the whole or substantially the whole of the business and assets of the Group,

"Associate" means

- (a) the husband, wife, mother, father, grandmother, grandfather, brother, sister, child (including adopted child or step child) or other lineal descendant of the relevant person;
- (b) the trustees of any settlement (whether or not set up by the relevant person) under which the relevant person and/or any other Associate of the relevant person is or is capable of being a beneficiary;
- (c) any nominee or bare trustee for the relevant person or any other Associate of the relevant person; or
- (d) any person with whom the relevant

person or any Associate of the relevant person is connected, the question of whether any such person is so connected falling to be determined for this purpose in accordance with the provisions of Section 839 Income and Corporation Taxes Act 1988,

"Auditors"	means the auditors of the Company from time to time or where relevant such person as is appointed to determine the Prescribed Price pursuant to Article 10.3,
"Basic Shareholding"	means in respect of Relevant Employees who were Shareholders as at 31 August 2007 such number of the Ordinary Shares held by them as at such date as shall be agreed in writing between the Shareholder in question and the Board,
"Board"	means the board of Directors of the Company from time to time;
"B" Ordinary Shares	means "B" ordinary shares of £0.01 each in the capital of the Company,
"C" Ordinary Shares	means "C" ordinary shares of £0.01 each in the capital of the Company;
"Controlling Interest"	means a holding, or aggregate holdings, of Shares carrying 50 per cent or more of the voting rights of the Company, irrespective of whether the holding or holdings gives de facto control and for these purposes "voting rights" means all the voting rights attributable to the share capital of the Company which are currently exercisable at a general meeting,
"D" Ordinary Shares	means "D" ordinary shares of £0.01 each in the capital of the Company;
"Director"	means a director of the Company from time to time,
"Deferred Shares"	means deferred shares of £0.01 each in the capital of the Company;
"E" Ordinary Shares	means "E" ordinary shares of £0.01 each in the capital of the Company,

"Employee Trust"	means any trust created by the Company and/or any of the Directors way of settlement of property and made for the benefit of inter alia employees and former employees of any Group Company (and any persons connected with them),
"Exit"	means an Asset Sale, a Share Sale, a Listing or the acquisition of a Controlling Interest by any person or group of persons
"Exit Date"	means the date of completion of an Exit
"F" Ordinary Shares	means "F" ordinary shares of £0.01 each in the capital of the Company;
"financial year" and "financial period"	means an accounting reference period (as defined by the Act) of the Company and its subsidiary or subsidiaries,
"Group Company"	means the Company and any other company which is a subsidiary of the Company
"Leaver"	means <ul style="list-style-type: none"> (a) any Relevant Employee who became a Relevant Employee on or before 31 August 2007 and who ceases for any reason to be a Relevant Employee prior to 20th November 2010, or (b) any person who became or becomes a Relevant Employee after 31 August 2007 and who ceases for any reason at any time to be a Relevant Employee <p>and for the purposes of this definition such person is deemed to have become a Leaver upon the date of the earlier of</p> <ul style="list-style-type: none"> (a) notice being given by that person of <u>his resignation as a director</u>; or (b) the effective removal of such person from the office of director of the Company; or (c) of the summary dismissal of the Relevant Employee or of notice of

termination of his employment being served either by such person or by the relevant Group Company as the case may be

"Listing"	means the admission of any part of the equity share capital of the Company to the Official List of the UK Listing Authority or the grant of permission by the London Stock Exchange plc to deal in any of the Company's shares on the AIM Market of the London Stock Exchange or on any other recognised investment exchange (as defined under Part XVIII of the Financial Services and Markets Act 2000) and such permission becoming effective,
"Ordinary Shares"	means together the "A" Ordinary Shares, the "B" Ordinary Shares, the "C" Ordinary Shares, the "D" Ordinary Shares, the "E" Ordinary Shares, and the "F" Ordinary Shares
"Ordinary Shareholders"	means the holders for the time being of Ordinary Shares,
"paid up amount"	means in respect of any share, the amount paid or credited as paid up on that share, including sums paid, or credited as paid, by way of premium;
"Permitted Transfer"	means a transfer of shares in the Company in accordance with Article 9;
"Preference Shares"	means cumulative redeemable preference shares of £1 each in the capital of the Company
"Relevant Employee"	means a Shareholder who is also an employee of any Group Company and/or a director of any Group Company,
"Retirement"	means retirement by a person aged 65 years or over where the person has given at least 12 months prior written notice to the relevant Group Company of his impending retirement
"Risk Percentage"	means (a) if the Shareholder becomes a Leaver and is a Bad Leaver 100%;

- (b) if the Shareholder becomes a Leaver and is not a Bad Leaver the Appropriate Percentage;

"Risk Shares"

means all Ordinary Shares registered in the name of and/or beneficially owned by or deemed for the purpose of these Articles as held by the Leaver on the date he becomes a Leaver excluding for these purposes

- (a) any Ordinary Shares acquired by the Leaver by way of transfer from any shareholder in the Company (PROVIDED THAT such transfer took place in accordance with the articles of association of the Company from time to time),
- (b) the Leaver's Basic Shareholding,
- (c) if the Leaver is John Roberts 55,200 A, 55,200 B Ordinary Shares, 55,200 C Ordinary Shares, 55,200 D Ordinary Shares, 55,200 E Ordinary Shares and 55,200 F Ordinary Shares

"Sale"

means an Asset Sale or a Share Sale

"Share Sale"

means the completion of any transaction whereby any persons or group of persons acting in concert (as defined by the City Code on takeovers and Mergers) purchases all the Ordinary Shares or such Ordinary Shares as are not already held by such person or persons

"Shareholders"

means the holders for the time being of Shares;

"Shares"

means the Ordinary Shares, Deferred Shares and Preference Shares; and

**"subsidiary" and
"holding company"**

shall have the respective meanings set out in section 736 of the Companies Act 1985 and section 1159 of the Companies Act 2006

"Bad Leaver"

means a Leaver who

- (a) is employed but resigns his employment (save on Retirement); or

- (b) is employed but is dismissed in circumstances where the relevant Group member had good grounds for dismissal for Gross Misconduct; or , or
- (c) in the opinion of the Board at any time breaches any restrictive covenants which exist from time to time between him and the Company (in a manner which the Board in its discretion considers material), or
- (d) falls within the definition of "Leaver" by reason of paragraph (b) of the definition of "Leaver"

3. Share Capital

3 1 The authorised share capital of the Company is £2,276,021 27 and is divided as follows

- (a) 277,936 "A" Ordinary Shares,
- (b) 310,548 "B" Ordinary Shares
- (c) 330,390 "C" Ordinary Shares;
- (d) 370,321 "D" Ordinary Shares,
- (e) 402,570 "E" Ordinary Shares,
- (f) 1,410,362 "F" Ordinary Shares, and
- (g) 2,245,000 Preference Shares

The classes of Share shall constitute separate classes of shares but subject as otherwise expressly provided in these Articles the Shares shall rank *pari passu* in all respects

3 2 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares created and/or issued after the date of adoption of these Articles and ranking *pari passu* in all respects (or in all respects save only as to the date from which such shares rank for dividend) with the shares of the relevant class then in issue

4. Share Rights

The rights and restrictions attaching to the Shares shall be as follows -

4 1 **As regards income**

The profits of the Company which are available for lawful distribution shall be applied as follows.

- (a) The holders of the “B” Ordinary Shares, the “C” Ordinary Shares, the “D” Ordinary Shares, the “E” Ordinary Shares, the “F” Ordinary Shares and the Deferred Shares shall not be entitled to receive any dividend or participate in the profits of the Company.
- (b) No dividends may be declared in respect of or paid to the holders of the “A” Ordinary Shares prior to 1 April 2010

4.2 As regards capital

On a return of assets whether in a winding up or reduction of capital or otherwise (except in the case of the redemption of shares of any class or the purchase by the Company of its own shares) the assets and retained profits of the Company available for distribution among the members shall be applied (after having paid all redemption monies and accrued interest thereon on the Preference Shares) as follows:

- (a) First, in paying the registered holders of the Ordinary Shares and the Deferred Shares the amounts paid up or credited as being paid up thereon. The holders of the Deferred Shares shall have no further right to participate in the profits or the assets of the Company, and
- (b) Secondly, in distributing the balance of such assets and retained profits (“**Balance**”) amongst the holders of the Ordinary Shares as follows
 - (i) the first £10,000,000 or less (or part thereof) of the Balance shall be paid to the holders of the “A” Ordinary Shares pro rata to their respective shareholdings,
 - (ii) the next £10,000,000 (or part thereof) of the Balance shall be paid to the holders of the “B” Ordinary Shares pro rata to their respective shareholdings;
 - (iii) the next £10,000,000 (or part thereof) of the Balance shall be paid to the holders of the “C” Ordinary Shares pro rata to their respective shareholdings;
 - (iv) the next £10,000,000 (or part thereof) of the Balance shall be paid to the holders of the “D” Ordinary Shares pro rata to their respective shareholdings,
 - (v) the next £5,510,000 (or part thereof) of the Balance shall be paid to the holders of the “E” Ordinary Shares pro rata to their respective shareholdings, and
 - (vi) the remainder of the Balance shall be paid to the holders of the “F” Ordinary Shares pro rata to their respective shareholdings.

4.3 As regards redemption of the Preference Shares

- (a) The Company shall, subject to compliance with the Companies Acts, redeem the Preference Shares for cash at a redemption price equal to £2 for each Preference Share upon the occurrence of an Exit or the acquisition of a Controlling Interest by any person ("**Redemption Date**") (or as soon thereafter as the Company shall be able to comply with the provisions of the Companies Acts relating to redemption of shares out of distributable profits)
- (b) On the Redemption Date, the redemption price referred to in Article 4.3(a) (the "**redemption monies**") shall become a debt due and payable by the Company to the Preference Shareholders and on the Redemption Date the Company shall subject to receipt of the relevant share certificate or an indemnity in lieu thereof in a form reasonably satisfactory to the Company pay the redemption monies to the relevant Preference Shareholders. On the Redemption Date each of the Preference Shareholders whose shares are to be redeemed shall deliver to the Company the share certificate for such shares' and the Company shall cancel the same. If any certificate so delivered to the Company includes any Preference Shares not falling to be redeemed on the relevant Redemption Date the Company shall without charge issue a certificate for the balance of any unredeemed Preference Shares to the holder or holders thereof.
- (c) A redemption of some but not all of the Preference Shares shall be made amongst the holders thereof pro rata as nearly as possible to their then holdings of Preference Shares
- (d) The Company may at any time prior to an Exit redeem pro rata as nearly as possible to the holders' then holdings of Preference Shares all or such number of the Preference Shares for the time being outstanding and fully paid up or credited as paid up by serving notice on the Preference Shareholders specifying a date (being not less than 14 and not more than 30 days after the date of the notice) and the particular Preference Shares to be redeemed and the provisions of Articles 4.3(a) to 4.3(c) shall have effect mutatis mutandis to such redemption save that the Redemption Date shall be the date specified in such notice.

4.4 Proceeds of a Share Sale

In the event of a Share Sale the proceeds of such sale ("**Sale Proceeds**") shall be apportioned, following the redemption of the Preference Shares (together with any arrears of the Preference Dividend and interest thereon), between the Ordinary Shareholders as follows

- (a) The first £10,000,000 or less (or part thereof) of the Sale Proceeds shall be paid to the holders of the "A" Ordinary Shares pro rata to their respective shareholdings,
- (b) the next £10,000,000 (or part thereof) of the Sale Proceeds shall be paid to the holders of the "B" Ordinary Shares pro rata to their respective shareholdings;
- (c) the next £10,000,000 (or part thereof) of the Sale Proceeds shall be paid to the holders of the "C" Ordinary Shares pro rata to their respective shareholdings;
- (d) the next £10,000,000 (or part thereof) of the Sale Proceeds shall be paid to the holders of the "D" Ordinary Shares pro rata to their respective shareholdings,
- (e) the next £5,510,000 (or part thereof) of the Sale Proceeds shall be paid to the holders of the "E" Ordinary Shares pro rata to their respective shareholdings; and
- (f) the remainder of the Sale Proceeds shall be paid to the holders of the "F" Ordinary Shares pro rata to their respective shareholdings

4.4 Voting

- (a) The holders of the Preference Shares shall be entitled to receive notice and to attend at any general meeting of the Company but shall not be entitled to vote thereat either in person or by proxy.
- (b) The holders of the "B" Ordinary Shares, "C" Ordinary Shares, "D" Ordinary Shares, "E" Ordinary Shares, "F" Ordinary Shares and the Deferred Shares shall not be entitled to receive notice of or to attend at any general meeting of the Company and shall not be entitled to vote thereat either in person or by proxy

4.5 Conversion

Immediately following a Sale:

- (a) If the consideration paid in respect of the Sale (excluding the amount necessary to redeem the Preference Shares) ("**Consideration**") is £10,000,000 or less, each of the "B" Ordinary Shares, "C" Ordinary Shares, "D" Ordinary Shares,

“E” Ordinary Shares and “F” Ordinary Shares shall automatically be converted into a Deferred Share,

- (b) If the Consideration is £20,000,000 or less, each of the “C” Ordinary Shares, “D” Ordinary Shares, “E” Ordinary Shares and “F” Ordinary Shares shall automatically be converted into a Deferred Share,
- (c) If the Consideration is £30,000,000 or less, each of the “D” Ordinary Shares and “E” Ordinary Shares and “F” Ordinary Shares shall automatically be converted into a Deferred Share, and
- (d) If the Consideration is £40,000,000 or less, each of the “E” Ordinary Shares and “F” Ordinary Shares shall automatically be converted into a Deferred Share, and
- (e) If the Consideration is £45,510,000 or less, each of the “F” Ordinary Shares shall automatically be converted into a Deferred Share;

and the Company shall send share certificates to the persons entitled in respect of the said Deferred Shares arising upon conversion whereupon the certificates for the shares the subject of such conversion shall be deemed to be cancelled and of no further effect or value.

4.6 Deferred Shares

- (a) Conversion or redesignation of any Ordinary Shares into Deferred Shares shall be deemed to confer an irrevocable authority on the Company at any time:
 - (i) to appoint any person to execute on behalf of the holders of such Deferred Shares a transfer thereof and/or an agreement to transfer the same for no consideration to such person as the Company may determine as custodian thereof, and/or
 - (ii) to purchase the same (in accordance with the provisions of the Acts) for not more than an aggregate sum of 1p for all the Deferred Shares without obtaining the sanction of the holder or holders thereof and for the purposes of such purchase to appoint a person to execute on behalf of any holder of the Deferred Shares a contract for the sale to the Company of any such shares held by such holder, and pending such transfer and/or purchase to retain the certificates for such Deferred Shares

5 Issue of new shares

5 1 Subject to this Article and to the provisions of section 80 of the Companies Act 1985 the Shares shall be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that:

- (a) no Shares shall be issued at a discount, and
- (b) The provisions of sub-sections 89(1) and 90(1) to (6) of the Companies Act 1985 shall not apply to the Company

6. Lien

The Company shall have a first and paramount lien on every share (whether or not fully paid) for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not such indebtedness or liability is in respect of the shares concerned and whether or not it is presently payable

7. Definitions

In this Article 7 and in Articles 8 to 10 (inclusive) the following words shall bear the following meanings

- | | |
|----------------------------|--|
| "Acceptance Period" | means a period during which an offer made under Article 10 5 is open for acceptance, |
| "Excluded Person" | means any Shareholder or other person who has been required to give (or has been deemed to have given) a Transfer Notice under Article 10 10 (whether or not that requirement has been complied with), but so that such Shareholder or other person shall cease to be an Excluded Person if, at the end of the Acceptance Period, the Company has failed to find Shareholders wishing to purchase all the Sale Shares the subject of the Transfer Notice |
| "Prescribed Price" | means the price per Sale Share specified in the Transfer Notice or (if no price is specified) the price per Sale Share agreed or determined pursuant to Articles 10.3 and 10.4 |
| "Priority Rights" | means the rights to purchase Shares comprised in a Transfer Notice in the priority stipulated in Article 10 6; |
| "Proposing" | means a Shareholder proposing to transfer |

"Transferor"	or dispose of Shares or any interest therein,
"Purchaser"	means a Shareholder willing to purchase Shares comprised in a Transfer Notice,
"Sale Shares"	means all Shares comprised in a Transfer Notice;
"Transfer Notice"	means a written notice served or deemed to be served by a Shareholder on the Company in accordance with Article 10

8. Transfers of shares - general

- 8 1 The Directors shall be required (subject only to Article 8 2) to register promptly any transfer of Shares made in accordance with the provisions of Articles 8 to 10, but shall not register any transfer of Shares not complying with the above requirement.
- 8 2 The Directors may refuse (in their absolute discretion) to register a transfer if.
- (a) it is not lodged at the registered office or such other place as the Directors may appoint and is not accompanied by the certificate for the Shares to which it relates or such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, or
 - (b) it is in respect of more than one class of Shares, or
 - (c) it is in favour of more than four transferees, or
 - (d) it is a transfer to a person whose business is in the opinion of the Board competitive with that being carried on by the Company or any Group Company, or
 - (e) it is a transfer of a Share on which the Company has a lien,
 - (f) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind, or
 - (g) it is a transfer by a Relevant Employee or a Leaver which would, if registered, result in that person holding insufficient Shares to satisfy a Leaver Notice served under Article 11.1 on the assumption that that person is a Bad Leaver

9. Permitted transfers

- 9 1 A Shareholder shall be permitted to transfer the legal title to and/or beneficial ownership of a Share:

- (a) if the Shareholder is a company, to any other undertaking ("transferee undertaking") provided that such transferee undertaking is a holding company or subsidiary company or any other subsidiary company of any such Shareholder's holding company ("group undertaking") save that if any transferee undertaking ceases to be a group undertaking in relation to that Shareholder then such transferee undertaking shall within 7 days of such cessation transfer any shares held by it back to that Shareholder or to a another group undertaking in relation thereto, or
- (b) to a person who is the beneficial owner of a Share or (in the case of the legal title only) to a different or additional nominee or trustee on behalf of such beneficial owner; or
- (c) if the Shareholder is an individual, to an Associate (provided that the provisions of these Articles shall apply to any Share so transferred as if it were still held by such transferring Shareholder),
- (d) to a person who is approved by the Board (as evidenced in the Company's board minutes) (excluding for this purpose in any decision to approve any such person the transferor of the shares in question)
- (e) Whilst any Shares are being transferred or are the subject of a Transfer Notice in accordance with Article 10 no transfers of Shares pursuant to this Article 9 shall be permitted

10. Transfers of Shares subject to pre-emption rights

10.1 Transfer Notice

Prior to any transfer of Shares (save for a Permitted Transfer of Shares), the Proposing Transferor shall (unless the Board shall resolve otherwise in which case the remainder of this article shall cease to apply in relation to the specific relevant transfer(s)) serve a Transfer Notice on the Company specifying the number of Shares in question, and the Transfer Notice shall constitute the Company his agent for the sale of those Shares (in accordance with the provisions of this article) at the Prescribed Price to any Shareholder or Shareholders. Except as provided in this Article, a Transfer Notice once given or deemed to be given shall be irrevocable except with the consent of the Directors

10.2 Contents of transfer notice

A Transfer Notice

- (a) may specify the Prescribed Price per Share;

- (b) shall, if the Proposing Transferor has received any offer to purchase Shares (being an offer capable of becoming legally binding upon acceptance), within the period of three months prior to service of the Transfer Notice, give the name of the offeror, the number of Shares concerned and the price per Share offered,
- (c) may not be given by an Excluded Person unless required by the Directors under Article 10 10.

10 3 **The Price**

Forthwith following receipt of a Transfer Notice which does not specify a Prescribed Price for the Sale Shares, the Directors of the Company (other than the Proposing Transferor, if a Director, and other than any Director connected with the Proposing Transferor within the meaning of section 839 Income and Corporation Taxes Act 1988) shall seek to agree the Prescribed Price with the Proposing Transferor. In the event that the Prescribed Price is not agreed within 28 days of receipt of the Transfer Notice by the Company, the Directors shall request the Auditors of the Company (acting as experts and not as arbitrators) to certify the Prescribed Price. If the Auditors are unable or unwilling for any reason to provide such a valuation the Board shall appoint an alternative firm of accountants with experience in these matters to provide the valuation instead.

10 4 **Terms of Reference for Valuing Shares**

The Auditors shall within 28 days of such a request certify to the Company the Prescribed Price, being the value of each Share calculated on the following basis

- (a) by determining the sum which a willing purchaser would offer to a willing vendor for the whole of the issued ordinary share capital,
- (b) by dividing the resultant figure equally between the Shares,
- (c) by making such adjustment (if any) as the Auditors consider necessary to allow for any rights which may be outstanding under which any person may call for or be entitled to, the issue of further Shares,
- (d) by making no adjustment to reflect any premium or discount arising in relation to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Shares

The Auditors' fee for certifying the Prescribed Price shall be borne as to one half by the Proposing Transferor and as to the other half by the proposed transferees of the Sale Shares pro rata to the number of Sale Shares purchased by them unless the Proposing Transferor revokes the Transfer Notice pursuant to Article 10 8(a) or none of the Sale Shares are purchased pursuant to this Article 10, in which case the Proposing Transferor shall pay all the Auditors' fees

10.5 Offer for Sale Shares to Members

The Sale Shares shall, within 14 days following receipt of the Transfer Notice (or in a case falling within Article 10 3 or 10 4, agreement or certification of the Prescribed Price), be offered by the Company to each Shareholder (other than the Proposing Transferor and any Excluded Person) in accordance with the Priority Rights for purchase at the Prescribed Price. All offers shall be made by notice in writing and limit a time (being not less than 28 and not more than 35 days) within which the offer must be accepted or, in default, will be deemed to have been declined. A copy of such offers shall at the same time be sent by the Company to the Proposing Transferor

10 6 Sale Shares offered pro rata

Subject to Article 10 11, Sale Shares shall be offered in writing by the Company to all Shareholders holding shares of the same class (other than the Proposing Transferor) *pari passu* and next (if and so far as not accepted following the first offer) to all other Shareholders *pari passu* and next (if and insofar as not accepted (following all previous offers) to such person or persons (if any) as the Directors see fit

10 7 Acceptance

- (a) Any Shareholder to whom Sale Shares are offered may accept all or some only of the Sale Shares offered to him.
- (b) Each Shareholder to whom the offer is made (if more than one) shall be invited to indicate whether, if he accepts the number of Sale Shares offered to him pursuant to Article 10 5, he wishes to purchase any Sale Shares offered to other Shareholders in the same offer which they decline to accept (such Sale Shares being referred to as "excess shares") and if so the maximum number of excess shares which he wishes to purchase
- (c) If there are any excess shares they shall be allocated between the Shareholders who have indicated that they wish to purchase excess shares. If the number of excess shares available is insufficient, the excess shares shall be allocated between the Shareholders seeking to purchase them as follows:

- (i) any Shareholder who has sought to purchase no more than his proportionate entitlement of excess shares (calculated by reference to the proportion of the total holdings of Shares of the Shareholders seeking to purchase excess shares represented by that Shareholder's holding) shall be allocated all the excess shares he sought to purchase,
- (ii) any Shareholder or Shareholders who sought to purchase more than their proportionate entitlement shall have the number of excess shares applied for scaled down and (if more than one) in proportion to their respective holdings of Shares

10 8 Completion timetable and obligations

- (a) Not later than seven days following the expiration of the last Acceptance Period the Company shall give written notice to the Proposing Transferor stating.

- (i) if it is the case, that no Shareholder has sought to purchase any of the Sale Shares, or, otherwise
- (ii) the number of Sale Shares which Shareholders sought to purchase, giving the name and address of each Purchaser and the number of Sale Shares to be purchased by him

and so that in the event that Purchasers have been found in the Acceptance Periods for some only of the Sale Shares the Proposing Transferor may within seven days of service on him of notice under this Article 10 8(a) revoke his Transfer Notice by written notice to the Company

- (b) Subject to the provisions of this Article, the Purchasers shall be bound to purchase the Sale Shares allocated to them under the provisions of this Article 10 8 at the Prescribed Price
- (c) In the event that the Proposing Transferor is given notice under Article 10 8(a) (and subject to the Proposing Transferor not revoking his Transfer Notice in accordance with Article 10 8(a)) the Proposing Transferor shall be bound on payment of the Prescribed Price to transfer the Sale Shares in question to the respective Purchasers. The sale and purchase shall be completed at the registered office of the Company during normal business hours on the first business day after the expiry of 14 days from the date of service of the notice under this Article 10 8
- (d) If a Proposing Transferor, after having become bound to transfer any Shares to a Purchaser, shall fail to do so, the Directors may authorise any person to execute on behalf of and as attorney for the Proposing Transferor any necessary instruments of transfer and shall register the Purchaser as the holder of the Shares. The Company's receipt of the

purchase money shall be a good discharge to the Purchaser, and the Company shall thereafter hold the same on trust for the Proposing Transferor. After the name of the Purchaser has been entered in the Register of Members of the Company in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

10.9 Share transfers to third parties

The Proposing Transferor may transfer Sale Shares to any person or persons (other than to any person who is directly concerned or engaged in the carrying on of any business in competition to any business carried on by the Company unless such person is approved by the Board in writing (excluding for this purpose in any decision to approve any such person the transferor of the shares in question)) in the following circumstances:

- (a) if the Company shall fail within the Acceptance Period to find a Purchaser or Purchasers for any of the Sale Shares, the Proposing Transferor may sell all the Sale Shares,
- (b) if the Company shall within the Acceptance Period find a Purchaser or Purchasers for some (but not all) of the Sale Shares and shall serve notice accordingly under Article 10.8(a) the Proposing Transferor may sell all or any of the Sale Shares for which no Purchaser has been found, but so that if the Proposing Transferor revokes his Transfer Notice under Article 10.8(a) he may sell all (but not some only) of the Sale Shares for which no Purchaser has been found.

Paragraphs (a) and (b) above are subject to the following restrictions:

- (i) Sale Shares may not be sold after the expiry of three months after the date on which notice is given under Article 10.8(a),
- (ii) the Sale Shares must be sold in a bona fide sale at a price not being less than the Prescribed Price, the Directors may require to be satisfied that the Sale Shares are being transferred in a bona fide sale for the consideration stated in the instrument of transfer without any deduction, rebate or allowance whatsoever to the Purchaser,
- (iii) no Shares may be transferred, or disposed of, pursuant to this Article 10.9 by any person who is an Excluded Person, unless the Directors resolve to approve such transfer or disposal.

10.10 Transfer on death or bankruptcy

A person entitled to a Share or Shares in consequence of the death (unless a transfer to such person entitled immediately prior to the death would have been a Permitted Transfer), bankruptcy, receivership or liquidation of a Shareholder shall be bound at any time, if called upon in writing to do so by the Directors not later than 90 days after the Directors receive notice from the person concerned that he has become so entitled, to give a Transfer Notice (without specifying a Prescribed Price) in respect of all the Shares then registered in the name of the deceased or insolvent Shareholder. Such a Transfer Notice shall not be capable of revocation under the provisions of Article 10 8(a) The Regulations of Table A shall take effect accordingly.

10.11 Offers to Shareholders deemed to have served Transfer Notice.-

The Company shall not be required to, and shall not, offer any Sale Shares to any person who remains a Shareholder but who has been deemed to have given a Transfer Notice on or prior to the date on which any such offer as is referred to in Article 10 5 is made

10.12 Requests for information

For the purpose of ensuring that a transfer of shares is duly authorised under these Articles or that no circumstances have arisen by reason of which a Transfer Notice may be required to be given, the Directors may from time to time require any member or past member or the personal representatives or trustee in bankruptcy, receiver or liquidator of any member or any person named as transferee in any instrument of transfer lodged for registration, to provide to the Company such information as the Directors reasonably think fit regarding any matter which they consider relevant. If such information is not provided to the reasonable satisfaction of the Directors within a reasonable time after request, the Directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the shares concerned or where a Transfer Notice ought to have been given in respect of any shares the Directors may by notice in writing require that the Transfer Notice be given in respect of the shares concerned. Any Transfer Notice required to be given under this Article shall not specify a price per share and shall not be capable of revocation under the provisions of Article 10 8(a).

10.13 Inaction and deemed transfers

In any case where the Directors may require that a Transfer Notice be given in respect of any Ordinary Shares, if a Transfer Notice is not duly given within a period of two weeks of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of

that period Such a deemed Transfer Notice shall not be capable of revocation under Article 10 8(a)

10 14 Service of transfer notices

Any notice required to be given under this Article by the Company to a Shareholder or by a Shareholder to the Company or otherwise shall be given or served either personally or by sending it by first class post to the registered office of the Company or to the registered address of the Ordinary Shareholder (as the case may be) or, if he has no registered address within the United Kingdom and has supplied to the Company an address within the United Kingdom for the giving of notice to him, to the address so supplied. When a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice and to have been effected 48 hours after posting.

10 15 Waiver of pre-emption provisions

The restrictions imposed by this Article may be waived in relation to any proposed transfer of Shares with the consent of all Shareholders who, but for such waiver, would or might have been entitled to have such shares offered to them in accordance with Article 10 5.

11 Mandatory Transfers

- 11 1 At any time within two years of a Relevant Employee becoming a Leaver the Board shall be entitled to (unless the Board resolves otherwise within six months of the Relevant Employee becoming a Leaver) serve written notice (“**Leaver Notice**”) on that Leaver requiring him to sell the Risk Percentage of that Leaver’s Risk Shares (rounded up to the next whole share if not a whole number) in the Company to an Employee Trust or such other person (including the Company) as the Board shall in writing specify and such Leaver shall execute any documents or instruments of transfer in relation to such sale as the Board may require in this regard and in the event that such Leaver fails to do so the Board may appoint any person as his attorney to execute such documents on his behalf The consideration to be paid by the Employee Trust or such other person (including the Company) as the Board shall in writing specify for the shares detailed in the Leaver Notice shall be the par value of the shares in question
- 11.2 If a Leaver Notice is not served by the Board in the circumstances set out in Article 11 1, then notwithstanding any other provision in these articles to the contrary, that Leaver shall not be entitled to transfer any share held by him without the prior written consent of the Board.
- 11 3 Notwithstanding the circumstances or facts leading to a person becoming a Bad Leaver the Board may at any time in the six months after a person cease to be a Relevant Employee resolve that such

person shall instead be a “Leaver” and such resolution, once passed, shall be irrevocable.

12. Drag Along

- 12.1 In these articles a **Qualifying Offer** shall mean an offer in writing by or on behalf of any person (**Offeror**) to the holders of the entire equity share capital in the Company to acquire all their equity share capital.
- 12.2 If the holders of not less than 60% in nominal value of the equity share capital then in issue (the **Accepting Shareholders**) wish to accept the Qualifying Offer, then the provisions of this article shall apply
- 12.3 The Accepting Shareholders shall give written notice to the remaining holders of the equity share capital (**Other Shareholders**) of their wish to accept the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders
- 12.4 If any Other Shareholder shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the equity shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on the Other Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person
- 12.5 Upon any person, following the issue of a notice pursuant to article 12.3, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the company (**New Member**), a notice shall be deemed to have been served upon the New Member on the same terms as the previous notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Offeror or as the Offeror may direct and the provisions of this article shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the notice being deemed served on the New Member.

13 Tag along

- 13.1 If at any time one or more Shareholders (**Proposed Sellers**) propose to sell, in one or a series of related transactions, 60% or more in nominal value of the Ordinary Shares (**Majority Holding**) to any person (not

being an Offeror for the purposes of article 12 1) other than pursuant to article 9 (**Permitted Transfers**), the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this article.

- 13.2 The Proposed Sellers shall give written notice (**Proposed Sale Notice**) to the other holders of the equity share capital in the Company of such intended sale at least ten Business Days prior to the date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (**Proposed Buyer**), the purchase price and other terms and conditions of payment, the proposed date of sale (**Proposed Sale Date**) and the number of Shares proposed to be purchased by the Proposed Buyer (**Proposed Sale Shares**)
- 13.3 Any other holder of equity share capital in the Company shall be entitled, by written notice given to the Proposed Sellers within five Business Days of receipt of the Proposed Sale Notice, to be permitted to sell all of his Shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice
- 13.4 If any other holder of equity share capital in the Company is not given the rights accorded him by the provisions of this article, the Proposed Sellers shall be required not to complete their sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect.

14. Proceedings at General meetings

- 14.1 If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting is adjourned to such day and at such time and place as the directors may determine and if a quorum is not present within half an hour from the time appointed for the adjourned meeting the meeting is dissolved
- 14.2 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote

15. Proxies

The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may.

- (a) be deposited at the registered office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

- (b) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the Chairman or to the Secretary or to any Director, or
- (c) in the case of a poll, be delivered at the meeting at which the poll was demanded to the Chairman or to the Secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the Secretary or to any Director or scrutineer

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

16. Directors' borrowing powers

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities for any debt, liability of obligation of the Company or of any third party.

17. Alternate directors

- 17 1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director may appoint such person as he thinks fit to be his alternate Director and the appointment of such alternate Director shall not require approval by a resolution of the Directors, and in its application to the Company Regulation 65 (alternate directors) of Table A shall be modified accordingly
- 17 2 An alternate director may act as alternate director to more than one director and is entitled at a meeting of the directors or of a committee of the directors to one vote for every director that he acts as alternate director for in addition to his own vote (if any) as a director of the Company, but an alternate director counts as only one director in determining whether a quorum is present
- 17 3 An alternate director is entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present; and generally to perform all the functions of his appointor as a director in his appointor's absence. But it is not necessary to give notice of such a meeting to an alternate director who is absent from the UK
- 17 4 Unless otherwise determined by ordinary resolution of the Company, an alternate director is not entitled to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company direct [and the Company may

pay all travelling, hotel and other expenses properly incurred by an alternate director in connection with attendance at meetings of directors or of committees of directors or otherwise in connection with the business of the Company]

18. Number of directors

Unless and until the Company in general meeting shall otherwise determine the number of Directors shall be not less than two

19. Appointment and Removal of directors

19.1 No person shall be appointed a director at any general meeting unless

- (a) he is recommended by the directors, or
- (b) not less than 14 or more than 35 clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors together with notice executed by that person of his willingness to be appointed

19.2 Not less than seven nor more than 28 clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the directors for appointment as a director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment as a director. The notice shall give particulars of that person which would, if he were so appointed, be required to be included in the Company's register of directors.

19.3 Subject as aforesaid the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director

19.4 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any maximum number of directors that may be fixed by ordinary resolution

19.5 A person shall automatically cease to be a director forthwith upon the passing of a resolution by the Board that such person be removed as a Director

20. Proceedings of directors

- 20.1 Meetings of the board of Directors shall take place no less frequently than ten times per annum and at least seven days' written notice shall be given to each Director
- 20.2 A person may participate in a meeting of the directors or of a committee of directors by means of electronic communication provided that throughout the meeting all persons participating in the meeting are able to communicate interactively and simultaneously with all other parties participating in the meeting notwithstanding accidental disconnection of the means of electronic communication during the meeting. A person participating in a meeting in this manner shall be deemed present in person at the meeting and shall be entitled to vote and be counted in the quorum
- 20.4 Save in the case of emergency (in which case such notice as is possible shall be given in the circumstances) notices of meetings of the Directors shall be given in writing and in its application to the Company Table A shall be modified accordingly
- 20.5 A Director may vote at a meeting of the Directors, and form part of a quorum present at that meeting, in relation to any matter in which he has, directly or indirectly, an interest or duty which conflicts or which may conflict with the interests of the Company, provided that he has previously disclosed the nature of such duty or interest to the Directors. The provisions of Table A shall be taken to apply equally to any disclosure to be made under the provisions of this Article.
- 20.7 The Directors shall establish a remuneration committee (which shall include the non-executive Chairman of the Company) and such committee shall set the level of remuneration of the executive Directors and senior management of the Company and shall be responsible for the review of such remuneration and all matters concerning the service agreements of the executive Directors and senior management of the Company. The powers and authorities of such committee may be varied or revoked by the majority of the full board of Directors

21. Directors Interests from 1 October 2008

- 21.1 The board may authorise any matter proposed to it which would, if not so authorised, involve a breach of duty by a director under section 175 of the Companies Act 2006
- 21.2 Any authorisation under paragraph 21.1 will be effective only if:
- 21.2.1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other director interested in the matter under consideration; and

21.2.2 the matter was agreed to without such director voting or would have been agreed to if the vote of such director had not been counted.

21.3 The board may give any authorisation under paragraph 21.1 upon such terms as it thinks fit. The board may vary or terminate any such authorisation at any time.

21.4 For the purposes of this article 21, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

21.5 A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. In particular the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 because he:

21.5.1 fails to disclose any such information to the board or to any director or other officer or employee of the Company, and/or

21.5.2 does not use or apply any such information in performing his duties as a director of the Company.

However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this paragraph 21.5 applies only if the existence of that relationship has been authorised by the board pursuant to paragraph 21.1.

21.6 Where the existence of a director's relationship with another person has been authorised by the board pursuant to paragraph 21.1 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 because he

21.6.1 absents himself from meetings of the board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or

21.6.2 makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser on his behalf,

for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists

- 21 7 The provisions of paragraphs 21 5 and 21.6 are without prejudice to any equitable principle or rule of law which may excuse the director from:
- 21 7.1 disclosing information, in circumstances where disclosure would otherwise be required under these articles; or
 - 21 7.2 attending meetings or discussions or receiving documents and information as referred to in paragraph 21.6, in circumstances where such attendance or receiving such documents and information would otherwise be required under these articles
- 21 8 A director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement.
- 21 9 A director who is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable, unless the interest has already been declared under paragraph 21 8 above
- 21.10 Any declaration required by paragraph 21.8 or 21.9 must be made at a meeting of the directors or by notice in writing in accordance with section 184 of the Companies Act 2006 or by general notice in accordance with section 185 of the Companies Act 2006.
- 21 11 If a declaration made under paragraph 21 8 or 21 9 above proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under paragraph 21 8 or 21 9, as appropriate
- 21 12 A director need not declare an interest under this article 21:
- 21 12 1 if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - 21.12 2 if, or to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware),
 - 21 12 3 if, or to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the directors or by a committee of the directors appointed for the purpose under these articles, or
 - 21 12 4 if the director is not aware of his interest or is not aware of the transaction or arrangement in question (and for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware).

21.13 Subject to the provisions of the Act and the Companies Act 2006 and provided that he has declared to the board the nature and extent of any direct or indirect interest of his in accordance with this article 21 or where paragraph 21.12 applies and no declaration of interest is required, a director notwithstanding his office.

21 13.1 may be a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is otherwise directly or indirectly interested,

21 13 2 may act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor), and in any such case on such terms as to remuneration and otherwise as the board may decide; and

21 13 3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate in which the Company is otherwise directly or indirectly interested.

21 14 A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate

21 14 1 the acceptance, entry into or existence of which has been authorised by the board pursuant to paragraph 21 1 (subject, in any such case, to any terms upon which such authorisation was given); or

21 14.2 which he is permitted to hold or enter into by virtue of paragraph 21 13 or otherwise pursuant to these articles,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act 2006. No transaction or arrangement authorised or permitted pursuant to paragraphs 21 1 or 21 13 or otherwise pursuant to these articles shall be liable to be avoided on the ground of any such interest or benefit

21.15 Save as otherwise provided by these articles, a director shall not vote at a meeting of the board or of a committee of the board on any resolution concerning a matter in which he has a direct or indirect interest which is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company), but this prohibition does not apply to a resolution concerning any of the following matters

21.15 1 the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at

the request of or for the benefit of the Company or any of its subsidiary undertakings,

21 15 2 the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which the director 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,

21 15 3 a transaction or arrangement concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate,

21 15 4 a transaction or arrangement to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he or any person connected with him is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise (a "relevant company"), if he and any persons connected with him do not to his knowledge hold an interest in shares (as that term is used in sections 820 to 825 of the Companies Act 2006) representing one per cent or more of either any class of the equity share capital (excluding any shares of that class held as treasury shares) in the relevant company or of the voting rights available to members of the relevant company;

21.15.5 a transaction or arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings (including any pension fund or retirement, death or disability scheme) which does not award him a privilege or benefit not generally awarded to the employees to whom it relates, and

21 15 6 a transaction or arrangement concerning the purchase or maintenance of any insurance policy for the benefit of directors or for the benefit of persons including directors.

21 16 A director may not vote on or be counted in the quorum in relation to a resolution of the board or committee of the board concerning his own appointment (including, without limitation, fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including, without limitation, fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each director. In that case, each of

the directors concerned (if not otherwise debarred from voting under this article) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

- 21.17 If a question arises at a meeting as to the materiality of a director's interest (other than the interest of the chairman of the meeting) or as to the entitlement of a director (other than the chairman) to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the chairman and his ruling in relation to the director concerned is conclusive and binding on all concerned.
- 21.18 If a question arises at a meeting as to the materiality of the interest of the chairman of the meeting or as to the entitlement of the chairman to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman) whose majority vote is conclusive and binding on all concerned.
- 21.19 For the purposes of this article 21, in relation to an alternate director, the interest of his appointor is treated as the interest of the alternate director in addition to any interest which the alternate director otherwise has. This article 21 applies to an alternate director as if he were a director otherwise appointed.
- 21.20 Subject to the Act and the Companies Act 2006, the Company may by ordinary resolution suspend or relax the provisions of this article 21 to any extent or ratify any transaction or arrangement not properly authorised by reason of a contravention of this article 21.
- 21.21 The provisions of paragraphs 21.1 to 21.20 of this article 21 shall come into effect on the date upon which section 175 of the Companies Act 2006 comes into force, at which point the provisions of article 20.5 shall cease to have effect and shall be removed from these articles, whereupon this paragraph 21.21 shall be removed from these articles.

22 Execution of documents

In its application to the Company, Regulation 101 (the Seal) of Table A shall be modified by the addition of the following sentence

"Any instrument expressed to be executed by the Company and signed by two Directors, or by one Director and the Secretary, by the authority of the Directors or of a committee authorised by the Directors shall (to the extent permitted by the Act) have effect as if executed under seal"

23. Indemnities

- 23 1 Subject to the Companies Acts, but without prejudice to any indemnity to which a director may otherwise be entitled, each director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a director or other officer of the Company or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006) in the actual or purported execution and/or discharge of his duties, or in relation thereto including any liability incurred by him in defending any civil or criminal proceedings, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs
- 23 2 The Company may buy and maintain insurance against any liability falling upon its directors or other officers which arises out of their respective duties to the Company, or in relation to its affairs