

**Company number 5856270**

**RESOLUTIONS**

**OF**

**Green Park Ventures Limited (Company)**

Passed on 29 September 2008

The following resolutions were duly passed at Extraordinary General Meeting of the Company held at Cambois, Bedlington, Northumberland, NE22 7DB on 29 September 2008

**ORDINARY RESOLUTION**

- 1 THAT the directors be generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the "**Act**") to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) up to an aggregate nominal amount of £57,894.70, to be allotted in relation to ordinary shares to be issued in due course in order to satisfy the exercise of warrants issued pursuant to a warrant instrument (the "**Series B Warrant Instrument**") to be dated on or about the date of this meeting,

**SPECIAL RESOLUTION**

- 2 That new articles of association in the form contained in the draft articles of association produced to the meeting and initialled by the chairman for the purposes of identification be adopted as the articles of association of the Company in substitution for and to the exclusion of all previous articles of association
- 3 That the allotment and issue on 31 May 2007 of 246,058 ordinary shares of £0.10 each (being in excess of the 246,057 ordinary shares of £0.10 each released from the provisions of articles 4.1 to 4.4 (inclusive) of the articles of association of the Company adopted on 23 June 2006 (the "**2006 Articles**") by virtue of a special resolution of the Company passed on 29 May 2007) be hereby retrospectively released from the provisions of articles 4.1 to 4.4 (inclusive) of the 2006 Articles and the issue and allotment of all such shares is hereby approved and ratified.

Signed .....

Company secretary

Signed for and on behalf of  
Endeavour Secretary Limited

THURSDAY



A42 02/10/2008 176  
COMPANIES HOUSE

THE COMPANIES ACT 1985  
PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
of  
GREEN PARK VENTURES LIMITED<sup>1</sup>

(Adopted on 29 September 2008)

THURSDAY

A42

ΑΡΤΙΚΛΑ ΣΜΛΓ  
02/10/2008  
COMPANIES HOUSE

177

## 1. Preliminary

The regulations contained in Table A ('**Table A**') in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2541) and the Companies (Tables A to F)(Amendment)(No 2) Regulations 2007 (SI 2007/2826) and as otherwise amended prior to the adoption of these Articles) shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or articles of association. References herein to '**regulations**' are to regulations in Table A.

## 2. Private company

The Company is a private company within the meaning of Section 1(3) of the Companies Act 1985.

## 3. Interpretation

3 1. In the first line of regulation 1 after the word '**regulations**' the words '**and in any articles adopting in whole or in part the same**' shall be inserted.

3 2. In these Articles unless the context otherwise requires the following expressions have the following meanings:

**'acting in concert'** shall be construed in accordance with the City Code on Takeovers and Mergers,

**'Acts'** means the Companies Act 1985 including any statutory modification or re-enactment thereof and any provisions of the Companies Act 2006 for the time being in force.

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<sup>1</sup> The Company's name was changed by Special Resolution on 29 June 2006 from V Fuels Biodiesel Limited.

**'business day'** means a day (excluding Sundays) on which banks generally are open in the City of London for the transaction of normal banking business,

**'control'** means, except in relation to the use of the term 'controlling interest' which shall have the meaning separately attributed to it in these articles, the ability or right, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (including being the partner of a partnership having the right to manage the affairs of that partnership) of any Person (i) to direct or cause the direction of the management and policies of another Person to be conducted in accordance with the wishes of the first person, (ii) to exercise more than 50 per cent of the votes generally exercisable at general meetings of another Person, or (iii) in the case of a partnership (other than a partnership having one partner with the right to manage the affairs of the partnership), to receive a share of more than one-half of the assets or income of that partnership and "controlled" shall be construed accordingly,

**'controlling interest'** means an interest (within the meaning of Section 820 of the Companies Act 2006) in the shares (including the right to subscribe for loan stock which may be converted or redeemed into shares or warrants which carry a right to subscribe for shares) conferring in the aggregate more than 50% of the total voting rights in general meeting,

**'family trust'** means a trust which primarily permits the settled property or the income therefrom to be applied for the benefit of the settlor and/or a privileged relation of that settlor and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or the settlor or the privileged relations of the settlor For the purposes of this definition 'settlor' includes a testator or an intestate in relation to a family trust arising respectively under a testamentary disposition or an intestacy of a deceased member,

**'Group'** means the Company and its subsidiaries from time to time,

**'Key Person'** means each of Steven Davis, Dan Cross and Tony Bedding,

**'loan stock'** means notes issued under the £20,000,000 loan stock instrument issued by the Company dated 28 March 2008,

**'loan stockholders'** means the holders of loan stock,

**'loan stock majority'** means the holders of the majority of the loan stock,

**'ordinary shares'** means the ordinary shares of £0.10 each in the capital of the Company,

**'person'** means any person, individual, company, firm, corporation, government, state or agency of a state or any undertaking (whether or not having separate legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists),

**'personal pension scheme'** means a pension scheme established by a person within any of the paragraphs of s154(1) of the Finance Act 2004,

**'privileged relation'** means in relation to a member the spouse (or former spouse or widow or widower) of the member and the member's lineal descendants and for these purposes a step-child or adopted child or illegitimate child of any member shall be deemed to be a lineal descendant of such member,

**'qualified majority'** means such number of the persons holding

(i) shares of a particular class, and

(ii) subject to the assumption below, loan stock and warrants,

which together confer in aggregate the right to not less than 80% of the total voting rights in general meeting, assuming for the purposes of such calculation that (a) the loan stockholders or warrant holders converted their loan stock or warrants in full and (b) where a loan stockholder or a warrant holder has a right (whether conditional or unconditional) to subscribe for further loan stock or warrants and is not in default of an obligation to exercise such right to subscribe, it exercised its right to subscribe in full for such loan stock or warrants and such loan stock or warrants were converted into shares (both such actions being deemed for the purposes of this calculation but, for the avoidance of doubt, without an obligation upon such holder to so subscribe and/or convert) in each case in accordance with the terms of the instrument constituting the loan stock or warrants,

**'share'** means a share in the capital of the Company of whatever class,  
**'warrant holder'** means in relation to a warrant, the person whose name appears on the warrant certificate as the holder of the warrant,

**'warrant holder majority'** means.

- (a) for so long as there exists warrant holders carrying a right to subscribe for shares in an amount equal to or greater than 88,369 shares, then holders of a majority of such warrants, or
- (b) where the number of warrant holders are less than that amount, BD Finance LLP,

**'warrants'** means the warrants of the Company constituted by various warrant instruments issued by the Company from time to time

- 3.3. Words or expressions the definitions of which are contained or referred to in the Acts shall be construed in these Articles as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles
- 3 4 Words importing the singular include the plural, words importing any gender include every gender, and words importing persons include bodies corporate and unincorporate, and (in each case) vice versa
- 3 5 References to Articles are references to these Articles and references to paragraphs and sub-paragraphs are, unless otherwise stated, references to paragraphs of the Article or references to sub-paragraphs of the paragraph in which the reference appears
- 3 6. In relation to any member, references in these Articles to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned

#### **4. Allotment of Shares**

- 4 1 Subject as provided in **Articles 4.6** and **4.7** any unissued shares in the capital of the Company on the date of adoption of these Articles shall (except with the prior written consent of a qualified majority) before they are issued be offered to all the holders of shares, warrant holders and loan stockholders in the Company in proportion to (A) in the case of shareholders, the amounts (excluding any premium paid on subscription) paid up or (B) in the case of the loan stockholders and warrant holders, the nominal value of the shares that would arise if (i) they converted their loan stock or exercised their warrants in full and (ii) where the loan stockholder or warrant holder has the right (whether conditional or unconditional) to subscribe for further loan stock or warrants and is not in default of an obligation to exercise such right to subscribe, it exercised its right to subscribe in full for such loan stock or warrants and such loan stock or warrants were converted into shares (both such actions being deemed for the purposes of this calculation but, for the avoidance of doubt, without an obligation upon such holder to so subscribe and/or convert) in accordance with the terms of the instrument constituting the loan stock or warrants, on the shares held by them respectively (and such offer shall be at the same price and on the same terms to each such holder)
- 4 2 Such offer shall be made by notice specifying the number of shares offered, the proportionate entitlement of the relevant member, warrant holder and/or loan stockholder, the price per share and limiting a period (not being less than 14 days nor more than 28 days) within which the offer, if not accepted, will be deemed to be declined
- 4.3. At the expiration of the time allowed, any such shares not so accepted shall be re-offered to those members, warrant holders or loan stockholders who have accepted all the shares previously offered to them and such re-offering shall be repeated until such time as either all the relevant shares have been accepted or until all holders of shares, warrants or loan stock in the Company shall have declined to accept any more of them Such re-offering shall be carried out (*mutatis mutandis*) in accordance with **Articles 4.1** and **4.2**

- 4 4 No member, warrant holder or loan stockholder shall be obliged to take more than the maximum number of shares he has indicated his willingness to take.
- 4.5 Any unissued shares not accepted pursuant to **Articles 4.1 to 4.4** (inclusive) or not capable of being so offered except by way of fractions and any shares released from the provisions of **Articles 4.1 to 4.4** (inclusive) by a written consent of a qualified majority shall (subject to the provisions of Section 80 of the Companies Act 1985, until such time as Section 550 of the Companies Act 2006 is in force), 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** (i) no shares shall be issued at a discount, (ii) in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they were offered to the members
- 4 6 The discretion of the directors contained in **Article 4.5** as to the allotment and disposal of and the granting of any option over the Company's shares shall in any event be subject to directions (if any) contained in any resolution creating or authorising the allotment of such shares
- 4 7 No shares shall be allotted on terms that the right to take up the shares allotted may be renounced in favour of, or assigned, to another person and no person entitled to the allotment of a share may direct that such share be allotted or issued to any other person
- 4 8 The provisions of this article 4 shall not apply to allotment of shares required under the terms of the instrument constituting the loan stock or warrants and (subject to the provisions of Section 80 of the Companies Act 1985, until such time as Section 550 of the Companies Act 2006 is in force) the directors are empowered to allot such shares with rights *pari passu* with the existing shares in the Company
- 4 9. For so long as any loan stock remains outstanding, shares of a class other than ordinary shares may not be allotted or otherwise constituted by the

Company without the prior written consent of both the loan stock majority and the warrant holder majority

- 4 10 Sections 561 and 562 of the Companies Act 2006 (at such time as these sections are in force or prior to this time 89(1) and 90(1) to (6) (inclusive) of the Companies Act 1985) shall not apply to the Company

## **5. Lien**

The lien conferred by regulation 8 shall attach also to fully paid up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid up or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all monies presently payable by him or his estate to the Company Furthermore, such lien shall extend to all amounts payable in respect of a share The directors may resolve to exclude any share or any amount payable in respect of a share from the application of this **Article 5** and regulation 8 shall be modified accordingly

## **6. Transfer of share**

### **6 1 General Provisions**

- 6 1.1 Save as may be permitted or required in pursuance of his obligations under these Articles and in relation to the loan stock and warrants (which may be traded or otherwise dealt with in accordance with the terms of the instrument constituting them) no member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things
- 6 1 2 The directors shall not refuse to register any transfer of a share which is permitted under these Articles. Regulation 24 shall not apply
- 6 1 3 If a member becomes aware of any event which is deemed to give rise to an obligation to serve a Transfer Notice he shall forthwith give written notice thereof to the directors

### **6.2. Expressly permitted transfers**



- 6.2.1. Any share may be transferred at any time with the written consent of a qualified majority
- 6.2.2 Any member may at any time either during his lifetime or on death transfer (whether by will or on intestacy) all or any shares held by him to a privileged relation or to trustees to be held upon a family trust of which he is the settlor
- 6.2.3 Where shares are held by trustees upon a family trust any such shares may be transferred to new trustees of that family trust on any change of trustees or to the settlor or to another family trust of which he is the settlor or to any privileged relation of the settlor
- 6.2.4. Any member may at any time during his lifetime transfer all or any shares held by him to a personal pension scheme for the benefit of that member.
- 6.2.5 Shares may be transferred by a body corporate (the "Original Holder") to a subsidiary or holding company of the Original Holder or to one or more shareholders or members of the Original Holder or to another subsidiary of such holding company of the Original Holder provided that if the transferee ceases to be in such relationship with the Original Holder the shares in question shall be transferred to the Original Holder unless the transferee is an individual (as opposed to a corporate) member of a limited liability partnership in which case such transferee shall not be under any obligation to transfer his shares to the Original Holder
- 6.2.6 A holder may transfer shares to a nominee or trustee for that holder and any nominee or trustee may transfer shares to any other nominee or trustee or to the beneficiary provided that no beneficial interest in the shares passes by reason of any such transfer
- 6.2.7. Any person in its capacity as general partner of an investment fund partnership may transfer any shares held by it to any of the partners in those partnerships or any person with a direct or indirect interest in the assets of those partnerships In addition any holder of shares which is an investment fund or nominee or trustee for an investment fund may transfer any shares held by it:

- (a) to any unit holder, shareholder, partner or participant or any person having any other interest in any such fund or to the manager or principal adviser to such investment fund or to any employee of such manager or principal adviser, or
- (b) to any other investment fund managed or advised by the same manager or principal adviser as manages or advises the first mentioned investment fund.

### **6 3 Pre-emption rights**

6 3 1 Any person (the "Proposing Transferor") proposing to transfer any shares other than pursuant to article 6 2 shall give notice in writing (the "Transfer Notice") to the Company that he desires to transfer those shares and specifying the price per share for which the bona fide potential purchaser is willing to purchase those shares, such price being a figure expressed in pounds sterling or any other major international currency as the board may approve only and not in whole or in part comprised of any form of non-cash or near-cash consideration (the "Transfer Price"). The Transfer Notice shall constitute the Company the agent of the Proposing Transferor for the sale of all (but not some only) the offered shares (of whatever class) together with all rights then attached thereto to any other shareholder, warrant holder and loan stockholder willing to purchase the same ("Offered Shareholders") at the Transfer Price. A Transfer Notice shall not be revocable except with the sanction of a qualified majority

6 3 2 The shares comprised in any Transfer Notice shall be offered by the Company to the Offered Shareholders in proportion to:

- (i) in the case of holders of shares, their shares,
- (ii) in the case of loan stockholders and warrant holders, the shares they would hold if (i) they converted their loan stock or warrants in full and (ii) where the loan stockholder or warrant holder has the right (whether conditional or unconditional) to subscribe for further loan stock or warrants and is not in default of an obligation to exercise such right to subscribe, it exercised its right to subscribe in full for such loan stock or warrants and such loan

- stock or warrants were converted into shares (both such actions being deemed for the purposes of this calculation but, for the avoidance of doubt, without an obligation upon such holder to so subscribe and/or convert) in accordance with the terms of the instrument constituting the loan stock,
- with reference to the share capital of the Company as at the date of the Transfer Notice and assuming the full conversion of all the loan stock and warrants (the "Diluted Capital") Such offer shall be made by notice in writing (the "Offer Notice") within seven days after the receipt by the Company of the Transfer Notice The Offer Notice shall
- 6.3.2.1 state the identity of the Proposing Transferor, the number and class of shares comprised in the Transfer Notice, the Transfer Price, that the transfer is subject to a total transfer condition and inform the Offered Shareholders that the shares are offered to them in accordance with the provisions of this article 6.3,
- 6.3.2.2 contain a statement to the effect that the shares are offered in the first instance to the Offered Shareholders in proportion to their relative ownership of the Diluted Capital as described in article 6.3.2 but go on to invite each Offered Shareholder to state in his reply whether he wishes to purchase more or less shares than his proportionate entitlement and if so what number,
- 6.3.2.3 state that the offer is open for acceptance for a period of 30 days from and excluding the date of the Transfer Notice, and
- 6.3.2.4 state that should the Offered Shareholders not accept the entirety of the shares being sold within the specified time period, the Proposing Transferor shall be at liberty to sell such Shares to the potential purchaser stipulated in the Transfer Notice
- 6.3.3 For the purpose of this article 6.3, an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company and may, if so specified in the acceptance, be accepted by an Offered Shareholder in respect of a lesser number of shares than his full proportionate entitlement If any of the Offered Shareholders do not accept the offer in respect of their respective proportions in full, the

shares not so accepted shall be used to satisfy any claims for additional shares (notified in response to the invitation referred to in article 6 3 2 2). No Offered Shareholder shall be obliged to take more Shares than for which he shall have applied. If any Shares shall not be capable of being offered to the Offered Shareholders in proportion to their existing voting rights, except by way of fractions, the same shall be offered to the Offered Shareholders, or some of them, in such proportions as the board may think fit

6 3 4 If Offered Shareholders accept all (but not some only) of the shares comprised in the Transfer Notice within the appropriate period specified in article 6 3 2 3, the Company shall not later than five days after the expiry of such appropriate period give notice in writing (in this article 6 3 called the "Sale Notice") to the Proposing Transferor specifying the Offered Shareholders and the Proposing Transferor shall be bound upon payment of the price due in respect of all the shares comprised or deemed to be comprised in the Transfer Notice to transfer the shares to the accepting Offered Shareholders

6 3 5 If in any case the Proposing Transferor after having become bound in accordance with the provisions of this clause to transfer shares makes default in transferring any such shares the Company may receive the purchase money on his behalf and may authorise some person to execute a transfer of such shares as agent of and/or as attorney for the Proposing Transferor in favour of the Offered Shareholders The receipt by the Company for the purchase money shall be a good discharge to the Offered Shareholders The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the Proposing Transferor

6 3 6 If, following the issue of an Offer Notice by virtue of article 6 3 2, the Company does not give a Sale Notice to the Proposing Transferor within the time specified for that purpose in article 6 3 4 in respect of sales to Offered Shareholders, the Proposing Transferor shall be at liberty to transfer all but not some only of the shares comprised in the Transfer Notice to the potential purchaser stipulated in the Transfer Notice

provided that the price per share obtained upon such transfer shall in no circumstances be less than the Transfer Price and such transfer is completed within three (3) months following the date of the Transfer Notice in question

6 3 7 Any transfer or purported transfer of a share (other than as otherwise provided in these articles) made otherwise than in accordance with this article 6 3 shall be null and void and of no effect

6 3 8 If and when required by notice in writing by the board of the Company so to do (the "Call Notice")

6 3 8 1 a member who transfers or purports to transfer any share in the Company in breach of the foregoing provisions of these paragraphs shall be bound to give a Transfer Notice in accordance with article 6 3 1, or

6 3 8 2 a member who causes or permits any of the events specified in article 6 3 9 to exist or with regard to whom any of the events specified in paragraph 6.3 9 4 occurs shall be bound to give a Transfer Notice in accordance with article 6.3 1,

unless and to the extent that a valid transfer has been made pursuant to these articles and has been lodged for registration In the event of such member failing to serve a Transfer Notice pursuant to this article 6 3 8 within 30 days of the date of the Call Notice such member shall be deemed to have given a Transfer Notice at the expiration of such period of 30 days and to have specified therein as the price per share the par value of each share The provisions of articles 6 3 1 to 6.3.6 (inclusive) and article 6 3 10 shall apply mutatis mutandis

6 3 9 The events specified for the purposes of article 6 3 8 are

6 3 9 1 any direction (by way of renunciation nomination or otherwise) by a member entitled to an allotment or transfer of shares to the effect that such shares or any of them be allotted or issued or transferred to some person other than himself,

6 3 9 2 any sale, dealing with or other disposition of any beneficial interest in a share (whether or not for consideration or otherwise but excluding any transmission of a share to any person becoming

- entitled to such share in consequence of the death or bankruptcy of a member) by whomsoever made and whether or not effected by an instrument in writing save where the disposition is by service of a transfer notice in accordance with these Articles,
- 6 3 9 3 the holding of a share as a bare nominee for any person, where the nominee does not inform the Company of the identity of its beneficial owner,
- 6 3 9 4 in the case of a corporate member or individual member, such member entering into liquidation (except a members' voluntary liquidation for the purpose of reconstruction or amalgamation) or suffering an administrative receiver to be appointed over all or any of its assets or it enters administration (as defined in schedule B1 of the Insolvency Act 1986), bankruptcy or anything analogous to any of the foregoing under the law of any jurisdiction occurs in relation to that corporate member or individual member
- 6.3 10 The board may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer which would otherwise be permitted under the foregoing provisions of this article 6 3 if it is a transfer of a share on which the Company has lien or of a share (not being a fully paid share) to a person who is not already a member and of whom they shall not approve The board may also refuse to register a transfer unless
- 6 3 10 1 it is lodged at the office or at such other place as the Board may appoint and is accompanied by the certificate for the Share to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer, and
- 6 3 10 2 it is in respect of only one class of Shares, and
- 6 3 10 3 it is in favour of not more than four transferees
- 6 3 11 Notwithstanding any other provision of these articles, any member who in relation to any transfer or purported transfer of shares is in breach of this article 6 3 or who has caused or permitted any of the

events specified in articles 6.3.9.1 to 6.3.9.3 (inclusive) shall cease to be entitled to the rights attaching to all shares held by him in the Company until such time as the breach has been rectified

6.3.12 If any share of any class is transferred pursuant to any of the provisions of this article 6.3 to a member holding shares of a different class, such share shall at the time of registration of the transfer of that share in the register of members of the Company be ipso facto redesignated as a share of the same class as those already held by that member

#### **6.4 Mandatory transfers**

6.4.1 All of the shares of a Key Person and which are held by a nominee or trust for the benefit of the Key Person or otherwise controlled by the Key Person shall automatically be subject to transfer in accordance with article 6.4.4 hereof in the event that the Key Person ceases to be employed by a member of the Group for any of the following reasons:

6.4.1.1 voluntary resignation for a reason other than a Good Reason,

6.4.1.2 being dismissed from his position as a director due to a breach of clause 13 (Non-Competition) of his service agreement as in existence at 28 March 2008 or the malicious or deliberate divulgence of trade secrets of a member of the Group such breach or divulgence being admitted by the relevant Key Person or finally judicially determined provided that until such time as any dispute arising under this article 6.4.1.2 ("Dispute") has been admitted or finally judicially determined the relevant Key Person undertakes to direct (or procure that any nominee or trust for the benefit of the relevant Key Person directs) the Company to pay all dividends and other distributions in respect of the Shares of (or which are held for the benefit of) the relevant Key Person which are payable during the period from the date of dismissal until such time as the Dispute has been admitted or finally judicially determined into an interest bearing account in the name of the Company where it is to be held until the Dispute has been admitted or finally judicially determined whereupon it will be

- paid (in the event of the Dispute being finally judicially determined in favour of the relevant Key Person) to the relevant Key Person or (in the event of the Dispute being finally judicially determined against the relevant Key Person) to the Company,
- 6 4 1 3 being dismissed from his employment by a member of the Group due to his obtaining a criminal conviction relating to the commission of an offence against either a member of the Group or an employee of the Group
- 6 4 2 For the purposes of article 6 4 1, "Good Reason" shall mean any of the following reasons
- 6 4 2 1 the death of the Key Person,
- 6 4 2 2 the ill health or permanent disability of the Key Person rendering him incapable of continued full-time employment in his current position (or a comparable position at the location he is employed or otherwise provides his services at the date on which he ceases to work) with the Group,
- 6.4.2 3 because the Key Person is employed by a subsidiary of the Company, or business of the Company or subsidiary of the Company, which is sold or otherwise disposed of,
- 6 4 2 4 the Key Person being made redundant by a member of the Group,
- 6 4 2 5 the service contract of the Key Person (or other arrangement pursuant to which his services are provided to a member of the Group) being terminated by that member of the Group in breach of the terms thereof,
- 6 4 2 6 the retirement of the Key Person on reaching retirement age in accordance with his terms of employment, or
- 6 4 2 7 where the Key Person voluntarily resigns from their employment with a member of the Group but before the period set out in article 6 4 4 makes a claim against the Company or relevant member of the Group for constructive dismissal and such claim is admitted or finally judicially determined in favour of the Key Person



6 4 3 The persons specified in article 6 4.1 ("Breaching Shareholders") shall not deal with their shares or any shares controlled by them other than in accordance with this article 6 4 Breaching Shareholders shall take all such action and provide all such information with regard to their shares and all other interests in the Company or its subsidiaries as is required under this article 6 4 or as the Company may request.

6 4 4 Within five business days after the obligation in article 6.4 1 is triggered, the board shall, having ascertained from the Breaching Shareholder the precise number and class of shares controlled by the Breaching Shareholder or held by others as nominee or on trust for the Breaching Shareholder, serve a written notice (the "Compulsory Transfer Notice") on all of the loan stockholders, warrant holders and remaining shareholders (the "Non-Breaching Shareholders") stating that

6 4 4 1 one or more shareholders have triggered this article 6 4 and setting out brief details of the event or act which triggered this article 6.4,

6 4 4 2 the shareholding of the Breaching Shareholder is being offered (at a price for each share of its par value) to all of the Non-Breaching Shareholders pro rata to their holdings of shares calculated using the mechanic described in article 6 3 2 but excluding for the purposes of such calculation the shares of the Breaching Shareholder (provided that Non-Breaching Shareholders may accept any amount of shares less than their pro rata entitlement) (the "Offer"),

6 4 4 3 the Offer shall remain open for acceptance by Non-Breaching Shareholders for a period of 30 days from and excluding the date of the Compulsory Transfer Notice (the "Initial Acceptance Period") If, after the expiry of the Initial Acceptance Period, any Non-Breaching Shareholders have not accepted their full pro rata entitlement, the remaining shares shall be offered for a further 30 day period to the Non-Breaching Shareholders who accepted their full pro rata entitlement under the Offer (the "Accepting Shareholders"), pro rata to the existing shareholdings of the

Accepting Shareholders (calculated using the mechanic set out in article 6.3.2) at a price for each share of its par value. This process will be repeated until all of the shares subject to the Offer has been accepted in full by Accepting Shareholders or the board is satisfied that the Non-Breaching Shareholders do not wish to take up the entirety of the Offer. If any share of any class is transferred pursuant to this article 6.4 to a member holding shares of a different class, such share shall at the time of registration of the transfer of that share in the register of members of the Company be ipso facto redesignated as a share of the same class as those already held by that member, and

6.4.4 such shares as are not accepted by way of the process set out above shall be, subject to and in compliance with the Companies Act 1985 and Companies Act 2006, repurchased and cancelled by the Company

6.4.5 The provisions of this article 6.4 shall automatically cease to apply upon the later of (i) the capability of the Company or one of its subsidiaries to produce 250,000 tonnes of bio-diesel per year meeting the specifications set by the warrant holder majority being independently verified by a third party expert, and (ii) 31 December 2008, provided that where judicial proceedings as contemplated by this article 6.4 are continuing, this article 6.4 shall continue to apply until such relevant judicial proceedings are determined

## **6.5 Tag-along provisions**

6.5.1 In the event of a member (or a group of members acting in concert) (the “Seller(s)”) seeking to transfer all or part of a shareholding amounting to a controlling interest to third parties, the Seller(s) shall first procure that the proposed transferee unconditionally offers to purchase all of the shares, warrants and loan stock held by all other members, warrant holders and loan stockholders on the same terms and conditions as those offered to the Seller(s) (the loan stock and warrants, for the purposes of this calculation, being deemed to have been converted at the time of the offer in accordance with the terms of the

instrument constituting the loan stock or warrants), such offer to remain open for acceptance for not less than 21 days. Should the proposed transferee not make such an offer or fail to complete the acquisition of the shares, warrants and loan stock of any accepting member in accordance with its terms, no transfer of any shares, warrants or loan stock to such proposed transferee shall be registered by the Company.

#### **6.6. Drag-along Provisions**

- 6.6.1 If persons comprising a qualified majority (the "Seller(s)") are seeking to transfer their interests in the Company to a potential purchaser and
- a) the offer made to the Sellers for their interests is conditional upon the proposing purchaser being able to acquire a greater proportion of the share capital of the Company than is at that time held by the Seller(s), and
  - b) the proposing purchaser has made an offer to all of the other members of the Company pursuant to Article 6.5 above,
- the Sellers may serve a drag-along notice to all (but not some only) of the other members, warrant holders and loan stockholders of the Company requiring them to transfer their shares to such potential purchaser on the same terms as are offered to the Sellers.

#### **7. Prohibited transfers**

Notwithstanding anything else contained in these Articles no share shall be issued or transferred to any infant, bankrupt or person of unsound mind.

#### **8. Proceedings at general meetings**

- 8.1.** Save as may otherwise be agreed in writing by a qualified majority three members present in person or by proxy shall be a quorum. Regulation 40 shall not apply.
- 8.2.** Regulation 41 shall be read as if the words 'and if at the adjourned meeting a quorum is not present within half an hour from the time appointed therefor, or if during the meeting a quorum ceases to be present, such adjourned meeting shall be dissolved' were added to the end thereof.
- 8.3.** The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting.

## **9. Alternate directors**

- 9.1.** Each Director shall be allowed to appoint an alternate in his absence. In the case of directors appointed by a warrant holder majority, an alternate may also be appointed (and such appointment terminated) by the warrant holder majority. Such appointment may be terminated by the director at any time. The same person may be appointed as the alternate director of more than one director.
- 9.2.** A notice of appointment or removal of an alternative director pursuant to this **Article 9** shall take effect upon lodgement at the Company's registered office or on delivery to a meeting of the directors or on delivery to the secretary.
- 9.3.** The appointment of an alternate director shall determine on the happening of any event which would cause him to vacate office as a director or if his appointor ceases to be a director.
- 9.4.** An alternate director's voting rights shall be cumulative, but he shall count as only one for the purpose of determining whether a quorum is present. If his appointor is from time to time absent from the United Kingdom or temporarily unable to act through ill-health or disability his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor.
- 9.5.** Regulations 65 to 69 shall not apply.

## **10. Powers of Directors**

- 10.1.** Subject to article 10.2, the directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.
- 10.2.** The directors shall act in accordance with a list of matters notified to board of directors of the Company dated on or around the date of the adoption of these articles by a warrant holder majority as being matters reserved for action only with the prior approval of a warrant holder majority.

## **11. Appointment and retirement of directors**

- 11.1.** The appointment and removal of directors of the Company shall be determined by a qualified majority provided that a warrant holder majority shall at all times be entitled to appoint one quarter of the number of directors on the

board of directors or two directors, whatever is the greater Only a warrant holder majority may remove directors so appointed

**11.2.** Every director appointed pursuant to this **Article 11** shall hold office until he is either removed in accordance with **Article 11.1** or dies or vacates office pursuant to regulation 81 (as modified by **Article 12**) and neither the Company in general meeting nor the directors shall have power to fill any such vacancy

**11.3.** No director shall be appointed otherwise than as provided in these Articles and accordingly Regulations 76 to 79 shall not apply

## **12. Disqualification and removal of directors**

Regulation 81 shall be modified by deleting paragraph (e) thereof The office of a director shall also be vacated if he shall be removed from office as hereinbefore provided

## **13. Remuneration of directors**

The ordinary remuneration of the directors shall from time to time be determined by a qualified majority Regulation 82 shall not apply

## **14. Directors' gratuities and pensions**

Subject to receiving the prior written consent of a warrant holder majority, the directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any director or ex-director of the Company or of any holding company or subsidiary of the Company or to the relations or dependents of any such director or ex-director and may establish, support and maintain pensions, superannuation or other funds or schemes (whether contributory or non-contributory) for the benefit of any such director or ex-director and/or their relations or dependents or any of them. Any director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit and may vote as a director in respect of the exercise of any of the powers by this **Article 14** conferred upon the directors notwithstanding that he is or may become interested therein. Regulation 87 shall not apply

## **15. Proceedings of directors**

**15.1.** The quorum for any meeting of the directors or any committee of directors shall throughout the meeting be three directors (or alternate directors) present in person or by telephone, such number to include a director appointed pursuant to

article 11.1, but in the event that a quorum is not present, the director appointed pursuant to article 11.1 may waive his right of attendance at such meeting (such waiver not to be unreasonably withheld or delayed) in which case any two directors present at the meeting as next constituted shall comprise a quorum

**15.2.** The chairman of any meeting of the directors or of any committee of the directors shall not be entitled to a second or casting vote and Regulation 88 shall be modified accordingly.

**15.3.** All or any of the members of the board of directors or any committee of the board may participate in a meeting of the board or that committee by means of any form of communications equipment which allows all persons participating in the meeting to communicate with each other simultaneously. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

**15.4.** A director who is in any way whether directly or indirectly interested in a transaction or arrangement or proposed transaction or arrangement with the Company may vote in respect of any such transaction or arrangement or proposed transaction or arrangement or any matter arising thereout and if he does so vote his vote shall be counted and he shall be capable of constituting a quorum at any meeting of the directors at which any such transaction or arrangement or proposed transaction or arrangement shall come before the board of directors for consideration and may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof. Regulations 94 to 97 shall not apply

**15.5.** On a show of hands every director present at a board meeting shall have vote

## **16. The seal**

The Company need not have a company seal and pursuant to Section 44 of the Companies Act 2006 may execute and deliver any document as a deed under the signature of any two directors, one director and the secretary or a director in the presence of a witness who attests the signature. A certificate in respect of any

shares or other securities in the Company shall be validly issued if it is executed as a deed as aforesaid

## **17. Accounts**

Every member, warrant holder and loan stockholder shall be entitled, either himself or through his agents duly authorised in writing, during the Company's normal hours of business to inspect and take copies of the books of account and all other records and documents of the Company and each of its subsidiaries on giving not less than 48 hours written notice to the secretary (or, if there is none at that time, the chairman) The Company shall give each such member all such facilities as he may reasonably require for such purposes including the use of copying facilities The Company may make a reasonable charge for any copies taken but otherwise shall not charge for any facilities requested as aforesaid Regulation 109 shall not apply

## **18. Indemnity**

**18.1.** Subject to the provisions of and so far as may be permitted by law, every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court Regulation 118 shall not apply.

**18.2.** The Company may purchase and maintain for any officer or auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company

## **19. Overriding provisions**

Where the approval, agreement or consent of any member, warrant holder, loan stock holder or director is required under any provision of these Articles to any particular matter, such approval, agreement or consent may be given subject to such terms and conditions as that member, warrant holder, loan stock holder or director may require and any breach of such terms and conditions shall ipso facto be deemed to be a breach of these Articles