

Company No: 6097517

THE COMPANIES ACT 1985  
A COMPANY LIMITED BY SHARES  
WRITTEN RESOLUTIONS

of

SECURITIES LENDING SERVICES GROUP LIMITED

("the Company")

Pursuant to Section 381A of the Companies Act 1985 ("the Act")

Passed on 25 April 2007

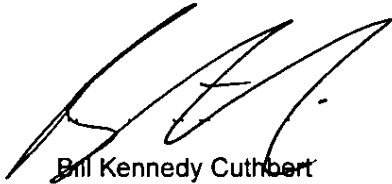
I, the undersigned, being the sole member of the Company who at the date hereof would be entitled to attend and vote at a general meeting of the Company, signify my assent to the passing of the resolutions set out below to the effect that such resolutions shall be deemed to be effective as if they had been passed at a general meeting of the Company duly convened and held

I HEREBY RESOLVE THAT

- 1 THAT the authorised share capital of the Company be and is hereby increased from £1,000 to £10,000,000 by the creation of 9,999,000 ordinary shares of £1 each,
- 2 THAT 2,500,000 of the unissued ordinary shares of £1 each be converted and re-designated as 'A' ordinary shares of £1 each in the capital of the Company, in each case having the rights and restrictions ascribed to 'A' ordinary shares as set out in the new articles of association of the Company to be adopted pursuant to Resolution 9,
- 3 THAT 2,500,000 of the unissued ordinary shares of £1 each be converted and re-designated as 'B' ordinary shares of £1 each in the capital of the Company, in each case having the rights and restrictions ascribed to 'B' ordinary shares as set out in the new articles of association of the Company to be adopted pursuant to Resolution 9,
- 4 THAT the 1 issued ordinary share of £1, currently held by Bill Kennedy Cuthbert be converted and re-designated as a 'C' ordinary share of £1 in the capital of the Company, in each case having the rights and restrictions ascribed to 'C' ordinary shares as set out in the new articles of association of the Company to be adopted pursuant to Resolution 9,
- 5 THAT 2,499,999 of the unissued ordinary shares of £1 each be converted and redesignated as 'C' ordinary shares of £1 each in the capital of the Company, in each case having the rights and restrictions ascribed to 'C' ordinary shares as set out in the new articles of association of the Company to be adopted pursuant to Resolution 9,
- 6 THAT 2,500,000 of the unissued ordinary shares of £1 each be converted and redesignated as 'D' ordinary shares of £1 each in the capital of the Company, in each case having the rights and restrictions ascribed to 'D' ordinary shares as set out in the new articles of association of the Company to be adopted pursuant to Resolution 9,
- 7 THAT the Directors from time to time of the Company be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities in accordance with Section 80 of the Act up to a maximum and nominal amount equal to the authorised share capital in existence after the passing of all the resolutions herein such authority to expire on the fifth anniversary of the passing of this Resolution (unless previously renewed, varied or revoked by the Company in general meeting), provided that the Company may before such expiry make an offer or agreement which would or might require such shares to be allotted

after such expiry and the Directors may allot the relevant securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired,

- 8 THAT the Directors from time to time of the Company be and are hereby empowered to allot equity securities pursuant to the authority granted by Resolution 7 above as if section 89(1) of the Act did not apply to any such allotment, and
- 9 THAT the draft new articles of association, in the form attached to this Resolution and initialled by a Director of the Company for the purposes of identification, be hereby adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company

A handwritten signature in black ink, appearing to read 'Bill Kennedy Cuthbert', is written over the printed name.

Bill Kennedy Cuthbert



# **New articles of association of Securities Lending Services Group Limited**

Dated 25 April 2007

The Companies Act 1985 and 1989  
Company Limited by Shares  
(as adopted by Written  
Resolution passed on 25 April 2007)

## TABLE OF CONTENTS

1	Preliminary	2
2	Authorised share capital, share rights and conversion	8
3	Dividends	9
4	Return of capital	9
5	Votes in general meeting	10
6	Rights to appoint Director	10
7	Issue of shares and pre-emption on issue	10
8	General restrictions and information relating to transfers	11
9	Permitted Transfers	12
10	Pre-emption on transfer, tag and drag	13
11	Compulsory transfers - general	17
12	Proceedings at general meetings	18
13	Alternate directors	18
14	Directors	19
15	Notices	19
16	Indemnity	20

**NEW**  
**ARTICLES OF ASSOCIATION**  
of  
Securities Lending Services Group Limited ("the Company")

(as adopted by Written Resolution passed on 25 April 2007)

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**1 Preliminary**

1.1 The regulations contained in Table A as prescribed by the regulations made under the Companies Act 1985 (the "Act") in force at the Adoption Date (hereinafter referred to as "Table A") shall apply to the Company in so far as these Articles do not exclude or modify Table A. A reference herein to any regulation is to that regulation as set out in Table A.

1.2 In these Articles the following words and expressions shall have the meanings set out below

'A' Ordinary Shareholders	the registered holders of the 'A' Ordinary Shares
'A' Ordinary Shares	the 'A' ordinary shares of £1 each in the capital of the Company

the Adoption Date	25 April 2007, being the date on which these Articles are adopted as the articles of association of the Company
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Arrears	in relation to any share, all accruals, deficiencies and arrears of any dividend or other monies payable in respect of or otherwise in relation to such share, whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient distributable profits to pay such dividend or other monies together with all interest and other amounts payable thereon
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the Auditors	the auditors for the time being of the Company
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Bad Leaver	any Relevant Executive
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(a) who voluntarily terminates his employment or consultancy with the Company or another Member of the same Group any time within 30 months of the Adoption Date save for reasons of death, permanent incapacity due to ill health of the Relevant Executive or such Relevant Executive's husband, wife, child or natural mother or father of such child, or

(b) whose contract of employment or consultancy with the Company or any Member of the same Group is terminated by the Company or any Member of the same Group by summary notice in writing pursuant to the terms of such Relevant Executive's service or consultancy agreement (as appropriate)

'B' Ordinary Shareholders	the registered holders of the 'B' Ordinary Shares
'B' Ordinary Shares	the 'B' ordinary shares of £1 each in the capital of the Company
'C' Ordinary Shareholders	the registered holders of the 'C' Ordinary Shares
'C' Ordinary Shares	the 'C' ordinary shares of £1 each in the capital of the Company
Completion	the proposed place, date and time of completion of the transfer of Majority Sellers' Shares as specified in the Drag along Notice
'D' Ordinary Shareholders	the registered holders of the 'D' Ordinary Shares
'D' Ordinary Shares	the 'D' ordinary shares of £1 each in the capital of the Company
Defaulting Member	any Other Member who fails to comply with a Drag along Notice
the Directors	the directors of the Company, acting by a resolution of the board passed in accordance with the provisions of these Articles
Drag along Notice	a notice given by the Majority Sellers in accordance with Article 10.9
the Equity Share Capital	collectively, the 'A' Ordinary Shares, 'B' Ordinary Shares, 'C' Ordinary Shares and the 'D' Ordinary Shares and, except as otherwise expressly specified, for the purposes of these Articles the 'A' Ordinary Shares, 'B' Ordinary Shares, 'C' Ordinary Shares and the 'D' Ordinary Shares shall be treated as separate classes
Family Trusts	as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than that individual and/or Privileged Relations of that individual, and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are or may become liable to be exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons

Further Securities	any shares in the capital of the Company or right to subscribe for or to convert into such shares which, in either case, the Company proposes to allot or grant (as the case may be) after the Adoption Date
Independent Accountant	an independent reputed firm of chartered accountants as shall be agreed upon by the Investors and the Manager Directors (for so long as they are holders of any Equity Share Capital) or in the absence of agreement, within five Business Days of the Board determining that the matter needs to be referred to chartered accountants pursuant to this Article 10 4, a specific member of an independent firm of chartered accountants to be nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales
Investment Fund	any person holding shares (including any beneficial interest therein) for investment purposes and not being a Relevant Member
Investors	each of Bowmark Capital Partners III-A, L P , Bowmark Capital Partners III-B, L P , Bowmark Investment Partnership-A, L P , Bowmark Investment Partnership-B, L P and Bowmark Investment Partnership C, L P and any person who shall have acquired (by virtue of one or more transfers) a majority of shares in the capital of the Company subscribed or acquired by each of Bowmark Capital Partners III-A, L P , Bowmark Capital Partners III-B, L P , Bowmark Investment Partnership-A, L P , Bowmark Investment Partnership-B, L P and Bowmark Investment Partnership C, L P and, where the context permits, any trustee, nominee or custodian of each of Bowmark Capital Partners III-A, L P , Bowmark Capital Partners III-B, L P , Bowmark Investment Partnership-A, L P , Bowmark Investment Partnership-B, L P and Bowmark Investment Partnership C, L P
Investor Majority	shall be as determined by the Investors from time to time and notified in writing to the Company
Leaver Shareholder	a shareholder who is a Bad Leaver or any Relevant Member in relation to a Relevant Executive who is a Bad Leaver
Listing	a successful application being made to the United Kingdom Listing Authority and the London Stock Exchange plc for admission to listing and trading of any of the Equity Share Capital, or a successful application for admission to trading of such shares to any other recognised investment exchange or overseas investment exchange which has in any such case been approved by the 'A' Ordinary Shareholders

Majority Class	for the purposes of the provisions of Article 2 and/or Article 7, shall mean the same class as the majority of the shares held by the relevant transferee or person subscribing for any shares in the capital of the Company (as the case may be) immediately prior to the relevant acquisition or subscription (as the case may be) contemplated by any of those provisions
Majority Sellers	an Investor Majority
Majority Sellers' Shares	all of the 'A' Ordinary Shares held by the Majority Sellers
Manager Directors	Mark Faulkner and Bill Cuthbert
a Member of the same Group	as regards any company, a company which is for the time being a subsidiary or holding company of that company or a subsidiary of any such holding company
Minority Shares	shares in the capital of the Company which are transferred by Other Members pursuant to Articles 10 11 or 10 14 (as the case may be)
Notice Date	the date on which a Transfer Notice is either given in accordance with Article 10 1 or shall be deemed to have been given pursuant to any of the provisions of these Articles
Ordinary Shareholders	the registered holders of the 'B' Ordinary Shares and 'C' Ordinary Shares and 'D' Ordinary Shares
Ordinary Shares	together, the 'B' Ordinary Shares, 'C' Ordinary Shares and 'D' Ordinary Shares as if the same constituted one and the same class
Other Members	all shareholders of the Company other than the Majority Sellers
a Permitted Share Issue	<p>the issue of any shares in the capital of the Company or grant of a right to subscribe for, or to convert securities into, shares in the capital of the Company</p> <p>(a) to any employee of or consultants to the Company or any of its subsidiaries, in each case, in accordance with any equity incentive scheme, the terms of which have been approved in writing by the 'A' Ordinary Shareholders in consultation with the 'B' Ordinary Shareholders and the Board, or</p> <p>(b) to any person with the approval of the 'A' Ordinary Shareholders and Ordinary Shareholders</p>
Permitted Transfer	a transfer of shares authorised pursuant to Article 9



Permitted Transferee	any shareholder who receives shares pursuant to a Permitted Transfer
Prescribed Period	<p>the period during which Sale Shares have to be offered for sale and can be accepted by other members, being the period commencing on</p> <ul style="list-style-type: none"> <li>(a) the Notice Date if the Prescribed Price has been agreed by such time in accordance with Article 10 3(a) or (b), or</li> <li>(b) the date the Prescribed Price is determined by the Auditors, if the price has to be determined by the Auditors in accordance with Article 10 4</li> </ul> <p>and ending 42 days thereafter (as the case may be)</p>
Prescribed Price	<p>shall be either (as the case may be)</p> <ul style="list-style-type: none"> <li>(a) as determined by the Proposing Transferor and Directors or by reference to a previous bona fide offer, in each case in accordance with Article 10 3, or</li> <li>(b) as determined by the Auditors in accordance with Article 10 4</li> </ul>
Privileged Relation	<p>in relation to an individual member or deceased or former individual member</p> <ul style="list-style-type: none"> <li>(a) the husband or wife or the widower or widow of such member or the natural mother or father of any member's children,</li> <li>(b) all the lineal descendants and ascendants in direct line of such member,</li> <li>(c) the brothers and sisters of such member and their lineal descendants, and</li> <li>(d) a husband or wife or widower or widow of any of the persons referred to in paragraphs (a), (b) and (c) above</li> </ul> <p>and for these purposes a step-child or adopted child or illegitimate child of any person shall be deemed to be his or her lineal descendant</p>
Proposed Purchaser	a proposed purchaser who at the relevant time has made a bona fide offer on arm's length terms for all the Majority Sellers' Shares
Proposing Transferor	any person proposing or required to transfer any shares in the capital of the Company but excluding any transfer that constitutes a Permitted Transfer

Purchaser	a member or other person willing to acquire any Sale Shares in accordance with Articles 10 5 or 10 6 (as the case may be)
Relevant Executive	a director or employee of, or a consultant to, the Company or any other Member of the same Group
Relevant Member	a shareholder who is a Relevant Executive or a shareholder who shall have acquired shares directly or indirectly from a Relevant Executive pursuant to one or more Permitted Transfers (including where such shares were subscribed by such shareholder and that shareholder would have been entitled to receive a Permitted Transfer from the Relevant Executive)
Sale	the sale (which shall for these purposes exclude any Permitted Transfers pursuant to any of the provisions of Article 9 1(a) to (f) (inclusive)) of any part of the Equity Share Capital to any person resulting in that person together with any person acting in concert (within the meaning given in the City Code on Takeovers and Mergers as in force at the Adoption Date) with such person holding 90% or more of the issued Equity Share Capital and for the purposes of these Articles, the 'A' Ordinary Shareholders at the Adoption Date and any person(s) for the ultimate benefit of whom such holders are holding such 'A' Ordinary Shares shall not be deemed to be acting in concert with each other
Sale Shares	shares in the capital of the Company which the Proposing Transferor intends or is required to transfer
Shareholders	the registered holders of the Equity Share Capital
Subscription Price	the amount paid up or credited as paid up on a share, including the full amount of any premium at which such share was issued whether or not such premium is subsequently applied for any purpose
Tag Shares	shares in the capital of the Company which are sold pursuant to an offer received in accordance with Article 10 13
Total Transfer Notice	a Transfer Notice which specifies, in accordance with Article 10 1, that the Proposing Transferor is only willing to transfer all of the Sale Shares specified in the Transfer Notice
Transfer Notice	a notice in accordance with Article 10 1 that a member desires to transfer all or some of his shares in the capital of the Company
1 3	Words and expressions which are defined in the Act shall have the meanings attributed to them in the Act when used in these Articles unless otherwise defined or the context otherwise requires

- 1 4 References to persons in these Articles shall, in addition to natural persons, include bodies corporate, partnerships and unincorporated associations
- 1 5 Where the consent, approval or discretion is required of the 'A' Ordinary Shareholders such consent, approval or discretion shall be given or invoked (as the case may be) in writing by those 'A' Ordinary Shareholders who together hold in excess of 75% in nominal amount of the 'A' Ordinary Shares
- 1 6 Where the consent, approval or discretion is required of the 'B' Ordinary Shareholders, 'C' Ordinary Shareholders or 'D' Ordinary Shareholders such consent, approval or discretion shall be given or invoked (as the case may be) in writing by those Shareholders of the relevant class of shares who together hold in excess of 50% in nominal amount of that class
- 1 7 Any change in (or change in the respective entitlements of) the partners, participants, shareholders, unitholders (or any other interests) in any member which is an Investment Fund or any mortgage, charge or other encumbrance created over their interest in any such Investment Fund shall not be regarded as a transfer of or a disposal of any interest in any shares in the capital of the Company for the purposes of these Articles
- 1 8 For the purposes of Articles 8 1, 8 3 and 9 the following shall be deemed (but without limitation) to be a disposal of shares in the capital of the Company
- (a) any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of shares in the capital of the Company that a share be allotted or issued or transferred to some person other than himself, and
  - (b) any sale or any other disposition (including by way of mortgage, charge or other security interest) of any legal or equitable interest in a share (including any voting right attached to it), (i) whether or not by the relevant holder, (ii) whether or not for consideration, and (iii) whether or not effected by an instrument in writing

## **2 Authorised share capital, share rights and conversion**

- 2 1 The share capital of the Company at the Adoption Date is £10,000,000 divided into 2,500,000 'A' Ordinary Shares 2,500,000, 'B' Ordinary Shares, 2,500,000 'C' Ordinary Shares and 2,500,000 'D' Ordinary Shares
- 2 2 Save as may be expressly set out in these Articles the 'A' Ordinary Shares, 'B' Ordinary Shares, 'C' Ordinary Shares and the 'D' Ordinary Shares shall be treated on a pari passu basis The 'B' Ordinary Shares, 'C' Ordinary Shares and 'D' Ordinary Shares shall also, save as otherwise expressly set out in these Articles be treated as one and the same class and shall together be defined herein as the Ordinary Shares
- 2 3 Any 'A' Ordinary Shareholder may, with an Investor Majority, give the Company written notice that the holder requires his 'A' Ordinary Shares to be converted into such class of shares in the capital of the Company which represent the Majority Class in respect of such Shareholder In addition to the right contained in this Article 2 3, all 'A' Ordinary Shares acquired from an Investor shall (save where an Investor Majority determines otherwise, in their absolute discretion) be converted into and redesignated into the Majority Class in relation to the person acquiring such shares
- 2 4 The Shareholder
- (a) within 10 days of giving notice pursuant to Article 2 3, or
  - (b) immediately prior to an acquisition of the type referred to 2 3,

as the case may be, deliver to the Company the certificates for his 'A' Ordinary Shares. Shares converted pursuant to Article 2.3 and this Article 2.4 shall be converted at the rate of one and upon delivery of the said certificate there shall be issued to the Shareholder a certificate for the number of new shares resulting from the conversion and redesignation pursuant to this Article.

- 2.5 The shares arising on conversion and redesignation shall rank *pari passu* with all the shares of the same class comprised in the Majority Class then in issue and fully paid up.

### **3 Dividends**

- 3.1 The 'A' Ordinary Shares shall rank *pari passu* in all respects as to dividend with the Ordinary Shares. No dividend shall be declared or paid on the Ordinary Shares without a like dividend being declared or paid, as the case may be, on the 'A' Ordinary Shares and vice versa.

- 3.2 The Company shall procure that each of its subsidiaries and, so far as it is able, each of its subsidiary undertakings which has profits available for distribution shall from time to time declare and pay to the Company such dividends to the extent possible as are necessary to permit lawful and prompt payment by the Company of any Arrears.

### **4 Return of capital**

- 4.1 As regards capital, subject to Articles 4.2, 4.3 and 4.4 on a return of assets on a liquidation, reduction or otherwise, the A Ordinary Shareholders and the Ordinary Shareholders shall be entitled in respect of their A Ordinary Shares and Ordinary Shares (in proportion to the number of shares held by each of them), to be paid *pari passu* out of the surplus assets of the Company remaining after the payment of its liabilities.

- 4.2 On a return of assets on a liquidation, reduction of capital or otherwise a Leaver Shareholder shall only be entitled, in respect of his Equity Share Capital, to be paid out of the surplus assets of the Company remaining after payment of its liabilities, an aggregate amount equal to the lower of

- (a) the Subscription Price in relation to such Equity Share Capital and, in such circumstances, the assets such Leaver Shareholder would have received shall be allocated to the other shareholders of the Company *pro rata* to the Equity Share Capital held between them, and
- (b) such amount that would be distributed in respect of such Equity Share Capital had the provisions of this Article 4.2 not applied.

- 4.3 In the event of a Sale (including any Sale pursuant to the provisions of Articles 10.9 to 10.12 (inclusive)) the total of all and any form of consideration received or receivable by the sellers at any time in respect of the shares that are the subject of the Sale shall be reallocated between the sellers of such shares so as to ensure that a Leaver Shareholder shall only be entitled to receive in respect of his Equity Share Capital an amount equal to the lower of

- (a) the Subscription Price in relation to such Equity Share Capital and, in such circumstances, the consideration such Leaver Shareholder would have received shall be allocated to the other shareholders of the Company *pro rata* to their Equity Share Capital held between them, and
- (b) such amount that would be received or receivable in respect of such Sale had the provisions of this Article 4.3 not applied.

- 4.4 In the event of a sale of all or substantially all of the assets and undertaking of the Company which results in a distribution to shareholders, the assets available for distribution shall be allocated in the manner set out in Article 4.2, which shall be deemed to apply, *mutatis mutandis*.

**5 Votes in general meeting**

The 'A' Ordinary Shareholders and the Ordinary Shareholders shall be entitled to receive notice of, to attend, and to vote at, general meetings of the Company, subject to Article 6, every 'A' Ordinary Shareholder and every Ordinary Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote on a show of hands and on a poll every 'A' Ordinary Shareholder and every Ordinary Shareholder so present shall have one vote for each 'A' Ordinary Share and Ordinary Share (as the case may be) held by him

**6 Rights to appoint Director**

The Investors shall have the right (acting by way of an Investor Majority), by notice in writing signed by an Investor Majority and delivered to the registered office of the Company, to appoint three persons nominated by an Investor Majority (or such higher number as an Investor Majority may determine) as non-executive directors of the Company and to remove from office any persons so appointed and, upon them ceasing to hold office for any reason whatever, to reappoint them or to appoint other persons in their place. In the event that any resolution put to a general meeting of the Company is one which directly or indirectly varies, modifies, alters or abrogates the right of the Investors contained in this Article 6 or is for the removal of any such Directors, the Investors shall have, on a show of hands and on a poll, 1,000 votes for each 'A' Ordinary Share held by the Investors

**7 Issue of shares and pre-emption on issue**

7.1 Except in the case of a Permitted Share Issue, no Further Securities shall be allotted or granted (as the case may be) to any person unless the Company has, in the first instance, offered such Further Securities to all holders of the Equity Share Capital on the same terms and at the same price as such Further Securities are being offered to such other person on a pari passu and pro rata basis to the number of shares comprised in the Equity Shares Capital held by such holders (as nearly as may be without involving fractions). Such offer

- (a) shall stipulate a time not exceeding 7 days within which it must be accepted or in default will lapse, and
- (b) may stipulate that any members who desire to subscribe for in excess of the proportion to which each is entitled shall in their acceptance state how many excess Further Securities they wish to subscribe for

7.2 Any Further Securities not accepted by members pursuant to the offer made to them in accordance with Article 7.1 above shall be used for satisfying any requests for excess Further Securities made pursuant to Article 7.1(b) above and

- (a) in case of competition, such excess Further Securities shall be allotted to the applicants in proportion (as nearly as may be without involving fractions or increasing the number allotted to any member beyond that applied for by him) to their existing holdings of shares comprised in the Equity Share Capital, and
- (b) thereafter, any excess Further Securities may be offered by the Directors to any other person at the same price and on the same terms as the offer to the members

7.3 Any Further Securities issued to a person other than an Investor shall, notwithstanding the foregoing provisions of this Article 7, be shares of the same class as the Majority Class in relation to such person

7 4 In accordance with section 91(1) of the Act, sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company

**8 General restrictions and information relating to transfers**

8 1 No person shall transfer, mortgage, charge or otherwise dispose of the whole or any part of his legal or beneficial interest in, or grant any option or other rights over, any shares in the capital of the Company (any of the foregoing for the purposes of this Articles 8 1, 8 3 and 9 being a "disposal") except for

- (a) a Permitted Transfer, which may take place without being subject to the provisions of this Article 8 or Article 10,
- (b) a sale of the entire legal title to and/or beneficial interest in any 'A' Ordinary Shares provided that the provisions of this Article 8 or Article 10 have been complied with, or
- (c) a disposal of shares in the capital of the Company which is required to be made pursuant to any provisions of the Articles

8 2 The Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the shareholders and the Company in such form as the Directors may reasonably require and if any such condition is imposed the transfer may not be registered unless such deed has been executed and delivered by the transferee

8 3 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest therein) in breach of these Articles the Board may and shall if requested by any 'A' Ordinary Shareholder, any 'B' Ordinary Shareholder or any 'C' Ordinary Shareholder, require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may think fit regarding any matter which they deem relevant to such purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name Failing such information or evidence being furnished to enable the Board to determine to their reasonable satisfaction that no such breach has occurred, or that as a result of such information and evidence the Board are reasonably satisfied that such breach has occurred, the Board shall forthwith notify the holder of such shares in the capital of the Company in writing of that fact whereupon

- (a) all the shares in the capital of the Company shall cease to confer upon the holder thereof (or any proxy thereof) any rights
  - (i) to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at any separate meeting of the class in question), or
  - (ii) to receive dividends or other distributions (other than the Subscription Price of the relevant shares in the capital of the Company upon a return of capital)

otherwise attaching to such shares in the capital of the Company or to any further shares in the capital of the Company issued in right of such shares or in pursuance of an offer made to the relevant holder, and

- (b) the holder may be obliged to give a Transfer Notice in respect of some or all of its shares in the capital of the Company at the Prescribed Price
- 8 4 The rights referred to in Article 8 3(a) above may be reinstated by the Directors with the consent of the 'A' Ordinary Shareholders, the 'B' Ordinary Shareholders and the 'C' Ordinary Shareholders or, if earlier, upon the completion of any transfer referred to in (b) above
- 8 5 If the Directors shall in accordance with these Articles have required a Transfer Notice to be given and it is not given within a period of one month or such longer period as the Directors may allow for the purpose, such Transfer Notice shall be deemed to have been given on any date after the expiration of such period as the Directors may notify to the holder and these Articles shall take effect accordingly
- 9 Permitted Transfers**
- 9 1 Subject to Article 9 2, any share in the capital of the Company may at any time be transferred without being subject to the restrictions contained in the provisions of Articles 8 1 and 10
- (a) to any person with the prior consent in writing of holders of shares entitled to cast 95% of the votes exercisable on a poll at a general meeting of the Company (which consent may be granted unconditionally or subject to terms or conditions, and in the latter case any share so transferred shall be held subject to such terms and conditions notified in writing to the transferee prior to registration of the transfer), or
  - (b) by any individual member (not being in relation to the shares concerned a holder thereof as a trustee of any Family Trusts) to a Privileged Relation of such member, or
  - (c) by any individual member to trustees to be held upon Family Trusts related to such individual member, or
  - (d) by any person entitled to shares in consequence of the death or bankruptcy of an individual member to any person or trustee to whom such individual member, if not dead or bankrupt, would be permitted hereunder to transfer the same, or
  - (e) by an Investment Fund
    - (i) to any Member of the same Group as the Investment Fund,
    - (ii) to any unitholder, shareholder, partner, participant in or manager of or adviser to (or an employee of such manager or adviser) the Investment Fund,
    - (iii) to any other Investment Fund managed or advised by the same manager or adviser as the transferring Investment Fund or to any Member of the same Group of such manager or adviser, or
    - (iv) to any trustee or nominee of or custodian for the Investment Fund or for any other transferee under paragraphs (i), (ii) or (iii) of this Article 9 1(e),
  - (f) by a trustee or nominee of or custodian for an Investment Fund to the Investment Fund or to any of the persons referred to in sub-paragraphs (i), (ii) or (iii) of paragraph (e) above of this Article 9 1, or
  - (g) by any person in the case of transfer of any Tag Shares, Minority Shares or Majority Sellers Shares as contemplated by Article 10 9,

- (h) such number of 'A' Ordinary Shares as determined by an Investor Manager to William Duff Gordon provided such transfer is completed within 6 months of the Adoption Date, and
- (i) any Further Securities issued to an Investor provided the transfer is to a Relevant Executive and such transfer occurs within 3 months of such issue

9 2 Where shares have been issued to trustees of Family Trusts or transferred under Article 9 1 or under paragraphs (a) or (b) of this Article to trustees of Family Trusts ("Relevant Shares"), the trustees and their successors in office may (subject to the provisions of Article 9 1) transfer all or any of the Relevant Shares

- (a) to the trustees for the time being of the Family Trust concerned on any change of trustees,
- (b) to the trustees for the time being of any other trusts being Family Trusts in relation to the same individual member or deceased or former member pursuant to the terms of such Family Trusts or to any discretion vested in the trustees thereof or any other person, or
- (c) to the Relevant Member or former member or any Privileged Relation of the Relevant Member or deceased or former member who has thereby become entitled to the shares proposed to be transferred on the total or partial termination of or pursuant to the terms of the Family Trust(s) concerned or in consequence of the exercise of any such power or discretion as aforesaid

9 3 If and whenever any of the Relevant Shares come to be held otherwise than upon Family Trusts, except in circumstances where a transfer thereof is authorised pursuant to Article 9 2 to be and is to be made to the person or persons entitled thereto, it shall be the duty of the trustees holding such shares to notify the Directors in writing that such event has occurred and the trustees shall be bound, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of the shares concerned

9 4 A Permitted Transfer shall only comprise the whole legal and beneficial interest in any share except pursuant to paragraphs (a), (e) or (f) of Article 9 1 above in respect of which the transfer may include a disposal of any interest in any shares

## 10 **Pre-emption on transfer, tag and drag**

### ***Obligation to give notice of desire to transfer***

10 1 A Proposing Transferor shall be required before effecting, or purporting to effect, a transfer, to give a Transfer Notice that he desires to transfer the Sale Shares and shall state in the Transfer Notice the identity of the person (if known) to whom he desires to transfer the Sale Shares The Transfer Notice shall, in addition

- (a) include such other details of the proposed transfer as the Directors may in their absolute discretion determine,
- (b) state whether the Proposing Transferor is willing to transfer some only of the Sale Shares (which he shall not be entitled to do if he is required by virtue of any provision of these Articles, other than this Article 10, to give a Transfer Notice), and
- (c) not be revocable except with the consent of the Directors and if a Transfer Notice is or becomes revocable then the holder of such Sale Shares shall be entitled to revoke his Transfer Notice in part or in its entirety forthwith upon giving written notice to the Company at any time during the Prescribed Period



***Company agent for sale***

- 10 2 The Transfer Notice shall constitute the Company as the Proposing Transferor's agent for the sale of the legal title to and entire beneficial interest in the Sale Shares and all rights attached to the Sale Shares, at the Prescribed Price during the Prescribed Period to any member or to any other person selected or approved by the Directors on the basis set out in the following provisions of these Articles

***Determination of the Prescribed Price***

- 10 3 The Prescribed Price shall be whichever is applicable of
- (a) the price per Sale Share agreed not more than one month before the Notice Date between the Proposing Transferor and the Directors as representing the fair value of the Sale Shares (less the amount per Sale Share of any dividend or other distribution declared or made after such agreement and prior to the date on which the Transfer Notice was given (or deemed to have been given)), or
  - (b) if no such agreement has been reached by the Notice Date, the price contained in a bona fide offer received from a third party by the Proposing Transferor not more than one month before the Notice Date and which remains open for acceptance in respect of the Sale Shares until at least seven days after the last date for compliance with the pre-emption provisions contained in this Article 10 (but subject to the right of the Directors to satisfy themselves that such offer is bona fide, for the consideration stated in the offer without any deduction, rebate or allowance whatsoever to the purchaser or other arrangement or agreement and so open for acceptance), or
  - (c) if neither paragraph (a) or (b) applies or if the Transfer Notice has been required to be given or is deemed to have been given under these Articles (other than this Article 10), the price determined in accordance with Article 10 4 by the Independent Accountants

***Determination by accountants***

- 10 4 If the price is to be determined by Independent Accountants following the giving of the Transfer Notice the Directors shall refer the matter to the Independent Accounts and the Independent Accountants shall determine and certify to the Directors the amount which represents in their opinion market value of each Sale Share as at the Notice Date For this purpose the market value shall be the amount a willing buyer would pay to a willing seller with no discount being applied or premium added due to the Sale Shares where relevant conferring a minority or majority voting rights in the shares or any class of shares in the capital of the Company In making and certifying their determination under this Article the Independent Accountants shall act at the cost and expense of the Company as experts and not as arbitrators and their determination shall in the absence of manifest error be final and binding on all persons concerned and, in the absence of fraud, they shall be under no liability to any person by reason of their determination or certificate

***Offer to other members***

- 10 5 All Sale Shares shall by notice in writing be offered by the Company promptly following the commencement of the Prescribed Period to each member, other than the holder of the Sale Shares, for purchase at the Prescribed Price on a pari passu and pro rata basis to their existing holding of the Equity Share Capital (as nearly as may be without involving fractions) Each such offer
- (a) shall stipulate a period of time being not less than 7 or more than 21 days during which it must be accepted in writing or in default will lapse as regards that offeree, and

- (b) may stipulate that any member who desires to purchase more Sale Shares than the proportion to which he is entitled shall in his acceptance state how many excess Sale Shares he wishes to purchase

Any Sale Shares not purchased by any member shall be used to satisfy the requests by acceptors for excess Sale Shares pro rata to their existing respective holdings of shares in the Equity Share Capital

***Offers to third parties***

- 10 6 Any Sale Shares not purchased by members pursuant to the foregoing provisions of these Articles by the end of the period stipulated for acceptance by the Directors may be offered by the Directors to such persons as they may think fit for purchase at the Prescribed Price before the end of the Prescribed Period

***Proposing Transferor bound to transfer Sale Shares***

- 10 7 If the Company shall within the Prescribed Period find a Purchaser to purchase any of the Sale Shares and notify the Proposing Transferor he shall be bound, upon payment to him of the Prescribed Price, to transfer such shares to the respective Purchaser(s) with full title guarantee, provided that, if a Total Transfer Notice has been given, this provision shall not apply unless the Company shall have found Purchasers for all of the Sale Shares. Every notice given by the Company under this Article 10 7 shall state the name and address of each Purchaser and the number of Sale Shares agreed to be purchased by him. The sale and purchase of the Sale Shares shall be completed at a place and time to be appointed by the Directors not being less than three days nor more than ten days after the Prescribed Period

***Ability of Proposing Transferor to sell Sale Shares to a third party***

- 10 8 If the Company gives notice to the Proposing Transferor that
  - (a) it has no prospect during the Prescribed Period of finding Purchasers for any of the Sale Shares, or
  - (b) it has not within the Prescribed Period found Purchasers willing to purchase all or some of the Sale Shares,

the Proposing Transferor shall at any time during a period of 28 days after the end of the Prescribed Period be entitled, subject to the other provisions of these Articles and any relevant contractual restrictions to which he is subject, to transfer those Sale Shares specified in the notice given by the Company pursuant to this Article 10 8 to any person by way of a bona fide sale at any price which is not less than the Prescribed Price (after deducting, where appropriate, any dividend or other distribution declared or made after the date of the Transfer Notice and to be retained by the Proposing Transferor). Any such sale is to be conditional upon

- (i) if a Total Transfer Notice was given, all the unsold Sale Shares being included in the sale, and
- (ii) the Directors being satisfied that the Sale Shares are being transferred under this Article pursuant to a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate or allowance whatsoever to the purchaser, and
- (iii) the consent of the 'A' Ordinary Shareholders, in relation to any shares in the capital of the Company in respect of which the Proposing Transferor was

required to give or deemed to have given a Transfer Notice pursuant to any provision of these Articles

If any of the conditions set out in sub-paragraphs (i) to (iv) of this Article are not fulfilled the Directors may refuse to register the instrument of transfer or impose further conditions to be fulfilled by the Proposing Transferor before doing so

***Drag along***

10 9 If at any time following the date being 30 months from the Adoption Date, the Majority Sellers intend to sell the Majority Sellers' Shares to a Proposed Purchaser who has made a bona fide offer on arm's length terms for the entire issued Equity Share Capital, the Majority Sellers shall have the right to give to the Company a Drag along Notice that the Majority Sellers intend to sell the Majority Sellers' Shares. The Drag along Notice will include details of

- (a) the number and class(es) of the Majority Sellers' Shares,
- (b) the identity of the Proposed Purchaser,
- (c) the proposed consideration (whether present, future, actual or contingent) to be paid or given by the Proposed Purchaser, for each of the Majority Sellers' Shares,
- (d) the proposed place, date and time of completion of the proposed purchase, which shall not be less than 14 days from the date of the Drag along Notice), and
- (e) a term extending the offer to all the other shareholders for their shares

10 10 The Directors shall promptly send the Drag along Notice to each of the Other Members and require each of them to sell to the Proposed Purchaser at Completion all of their holdings of shares on the terms contained in the Drag along Notice

10 11 Each Other Member shall sell all of his shares referred to in the Drag along Notice at the highest price proposed to be paid for a Majority Sellers' Share to be sold to the Proposed Purchaser on Completion by the Majority Sellers and on the terms set out in the Drag along Notice

10 12 No member shall be required to comply with a Drag along Notice unless the Majority Sellers shall sell the Majority Sellers' Shares to the Proposed Purchaser on Completion, subject at all times to the Majority Seller being able to withdraw the Drag along Notice at any time prior to Completion by giving notice to the Company to that effect, whereupon each Drag along Notice shall cease to have effect

***Tag along***

10 13 (a) In the event that as a result of any transfer (not being a Permitted Transfer), any person or persons who was or were not a member or members of the Company or entitled to become such on the date of the adoption of these Articles ("the Acquiring Member") either alone or acting in concert (as such expression is defined in the City Code on Takeovers and Mergers) with any other person(s), shall become beneficially entitled to more than 50% of the issued Equity Share Capital of the Company after the Adoption Date or being so beneficially entitled shall become beneficially entitled to a further 1% thereof he shall forthwith be required to serve notice on the Company and on the holders of the Equity Share Capital of the Company that he is so beneficially entitled and shall thereupon be bound to purchase the remaining shares in the Equity Share Capital of the Company at a price per share ("the Acquisition Price") equal to the highest price per share paid by the Acquiring Member for such shares in the Company acquired by him

- (b) The Company shall forthwith give notice to every member other than the Acquiring Member that he may within 14 days from the date of such notice or such longer period as the Directors may determine in order to give effect to Article 10 13 sell his shares to the Acquiring Member at the Acquisition Price Any member may accept such offer by giving notice of his intention so to do to the Company accompanied by share certificates for the shares agreed to be sold together with the necessary transfers
- (c) The Directors may at any time require any member to furnish the Company with details of the beneficial interests in the shares held by such member
- (d) The Directors may require that they be satisfied that the shares acquired by the Acquiring Member in the period referred to in Article 10 3(b) were acquired bona fide for the Acquisition Price without any deduction rebate or allowance whatsoever to the purchaser and if not so satisfied may require the Acquisition Price to be determined in accordance with Article 10 4
- (b) If the Acquiring Member shall fail to serve a notice in accordance with Article 10 13 (or, if and to the extent that the offer is accepted, the Acquiring Member shall fail to complete the purchase of any shares pursuant to the offer) he (and any member with whom he is acting in concert as provided in Article 10 13) shall cease to have any rights to vote or to dividends or rights on a return of capital in respect of all the shares held by him and the Directors may where relevant refuse to register the transfer of the shares acquired by the Acquiring Member which give rise to the obligations under Article 10 13 and may require the Acquiring Member to serve a Transfer Notice in accordance with Article 10 1 in respect of all or any of the shares held by him

***Powers of Directors upon default***

- 10 14 If a Proposing Transferor or Other Member shall fail or refuse to transfer shares pursuant to Article 10 7 or 10 11 (as the case may be) the Directors may authorise some person to execute and deliver the necessary transfer on behalf of such person and the Company may receive the purchase money in trust for the Proposing Transferor or Other Member (as the case may be) and cause the Purchaser or Proposed Purchaser (as the case may be) to be registered as the holder of such shares The receipt of the Company for the purchase money shall constitute a good discharge to the relevant purchaser and after such purchaser has been registered the validity of the sale and purchase of the relevant transfer shall not be questioned by any person The Company shall not pay the purchase money to the Proposing Transferor or Other Member (as the case may be) until he shall have delivered to the Company his share certificate(s) or a suitable indemnity and the necessary form of transfer

**11 Compulsory transfers - general**

***On bankruptcy***

- 11 1 A person entitled to a share in consequence of the bankruptcy of a member shall be deemed to have given a Transfer Notice in respect of such share at such time as determined by the Directors

***On death***

- 11 2 If a share remains registered in the name of a deceased member for longer than one year after the date of his death the Directors may require the legal personal representatives of such deceased member either

- (a) to effect a Permitted Transfer of such shares (including for such purpose an election to be registered in respect thereof), or
- (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased member

If either such requirement shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such share save to the extent that, and at such time as, the Directors may determine

***On liquidation of a member***

- 11 3 If a member which is a company or a Permitted Transferee of such member, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, such member or Permitted Transferee shall be deemed to have given a Transfer Notice in respect of all of the shares held by such member and/or such Permitted Transferee save to the extent that, and at such time as, the Directors may determine

***Ceasing to be a Privileged Relation***

- 11 4 If a Permitted Transferee pursuant to Article 9 1(b) shall cease to be a Privileged Relation, such person shall be bound, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of the shares concerned

**12 Proceedings at general meetings**

- 12 1 A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote Regulation 46 shall be modified accordingly
- 12 2 A resolution in writing executed, or approved by facsimile, by or on behalf of the holders of all the issued Equity Share Capital shall be as valid and effectual as if the same had been duly passed at a general meeting and may consist of several documents in the like form, each executed or approved by or on behalf of one or more persons In the case of a corporation, the resolution may be signed or approved on its behalf by a director or the Secretary of such corporation or by its duly appointed attorney or duly authorised representative Regulation 53 shall be modified accordingly

**13 Alternate directors**

- 13 1 Any director (other than an alternate Director) may at any time by notice in writing and served on the Company at its registered office, or delivered at a meeting of the directors, appoint any other director, or any other person approved by the Directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him, in the same manner The same person may be appointed as the alternate director of more than one director
- 13 2 If an alternate director is himself a Director or attends any such meeting as an alternate Director for more than one Director, then his voting rights shall be cumulative
- 13 3 An alternate Director shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him, except in relation to matters in which he acted (or failed to act) on the direction or at the request of his appointor
- 13 4 Save as otherwise provided in these Articles, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles However, such an alternate Director shall owe the Company the same fiduciary duties and duty of care and skill in the performance of his office as are owed by a Director

13 5 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct

13 6 Regulations 65 to 69 shall be modified accordingly

#### **14 Directors**

14 1 The quorum for the transaction of the business of the Directors shall be two, such number to include any Director appointed pursuant to Article 6 and any one of the Manager Directors for so long as they are a Director Regulation 89 shall be modified accordingly The Directors shall not be subject to retirement by rotation Regulations 73 to 75 and the last two sentences of Regulation 79 shall not apply and Regulations 76, 77, 78 and 80 shall be modified accordingly

14 2 Without prejudice to the first sentence of Regulation 89, a meeting of the Directors or of a committee of the Directors may consist of a conference between directors who are not all in one place, but where each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously, and the word "meeting" in these Articles shall be construed accordingly

14 3 A resolution in writing signed, or approved by facsimile, by all the directors shall be as valid and effectual as if it had been passed at a meeting of Directors duly convened and held and may consist of several documents in the like form each signed or approved by one or more Directors, but a resolution signed or approved by an alternate Director need not also be signed or approved by his appointor and, if it is signed or approved by a Director who has appointed an alternate Director, it need not be signed or approved by the alternate Director in that capacity Regulation 93 shall not apply

14 4 A Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company Regulation 94 shall be modified accordingly, provided that he has disclosed to the Directors the nature and extent of any material interest or duty

14 5 In the case of an equality of votes at a meeting of the Directors, the chairman of the Company shall not have a second or casting vote Regulation 88 shall be modified accordingly

14 6 Except for a Director appointed in accordance with Article 6 or a Manager Director, the office of a Director shall be vacated if he shall be removed from office by notice in writing served upon him signed by the Investor but so that if he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of contract of service or otherwise between him and the Company

14 7 Notwithstanding Article 6, the 'A' Ordinary Shareholders shall have the right to appoint further director(s) of the Company, subject to a maximum number of five Directors or such greater number as the 'A' Ordinary Shareholders may from time to time determine

#### **15 Notices**

Notices shall be given to a member whose registered address is outside the United Kingdom Regulation 112 shall be modified accordingly

**16 Indemnity**

- 16 1 Without prejudice to any indemnity any officer may otherwise be entitled, every Director, Auditor, Secretary or other officer of the Company shall 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
- 16 2 The Company may purchase and maintain for any Director, Secretary or other officer 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