

**THE COMPANIES ACTS 1985, 1989 AND 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION**

- of -

WEDNESDAY



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06/08/2008  
COMPANIES HOUSE

**ARROW INDUSTRIAL HOLDINGS LIMITED**  
**("the Company")**

(Company number 6407922)

Circulated on 20 February 2008

We, the undersigned, pass the following resolution as a written resolution to have effect as if passed by the Company in general meeting pursuant to section 288 of the Companies Act 2006 and in accordance with the Company's Articles of Association:

**Ordinary Resolution**

THAT

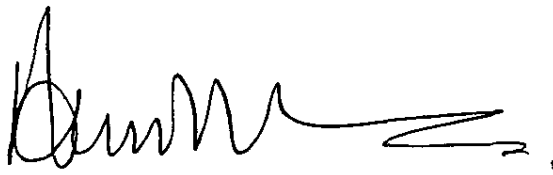
- 1 That the authorised share capital of the Company be and is hereby increased from £1,000 to £7,750,000 by the creation of 249,000 Ordinary Shares of £1 each, 5,000,000 Cumulative Participating Redeemable A Preference Shares of £1 each and 2,500,000 Cumulative Participating Redeemable B Preference Shares of £1 each. The Shares shall each have the rights and privileges and being subject to the restrictions contained in the Articles of Association of the Company adopted by paragraph 3 of this Resolution.
- 2 Subject to the passing of resolution 1 above, the directors be and they are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the "Act") to exercise all powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £7,750,000, provided that this authority shall,

unless renewed, varied or revoked by the Company in general meeting, expire on the earlier of the next annual general meeting of the Company and five years from the date of this resolution, but the Company may, before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry, and the directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired This authority is in substitution for all previous authorities conferred upon the directors pursuant to section 80 of the Act, but without prejudice to the allotment of any relevant securities already made or to be made pursuant to such authorities

### **Special Resolution**

THAT

- 3 The regulations contained in the document attached to this Resolution and for the purposes of identification signed by the Chairman be and are hereby approved and adopted as the new Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.



Signed by Tyrolese (Directors) Limited  
on 20 February 2008

**ARROW INDUSTRIAL HOLDINGS LIMITED**  
**WRITTEN RESOLUTIONS: CIRCULATED ON 13 February 2008**

**Note: This document is important and requires your immediate attention.**  
Please read the explanatory statement to members before signifying your agreement to the resolutions in this document.

**EXPLANATORY STATEMENT TO MEMBERS**

**1. Nature of written resolutions**

1.1 This document contains proposed written resolutions of Arrow Industrial Holdings Limited for approval by you as a member of the Company. Resolutions 1 and 2 are proposed as ordinary resolutions and each require members holding a simple majority of the total voting rights of members entitled to vote on such resolutions to vote in favour of them to be passed. Resolution 3 is proposed as a special resolution and requires members holding not less than 75 per cent of the total voting rights of members entitled to vote on such resolution to vote in favour of them to be passed.

1.2 The following documents relating to the resolutions are supplied with these resolutions:

draft regulations to be adopted as the articles of association of the Company

**2. Period to approve written resolutions**

If the Company has not received the necessary level of members' agreement to pass the resolutions by 10<sup>th</sup> ~~March~~ <sup>April</sup> 2008 (being 28 days from the date the resolutions were first circulated to members), the resolutions will lapse.

**3. Action required if you wish to approve the resolutions:**

Please signify your agreement to the resolutions by either completing your details and signing and dating the document in the boxes provided and returning it to the Company in one of the following ways:

3.1 by delivering your signed and dated document by hand or by post to the Company's registered address marked "For the attention of the Company secretary", or

3.2 by faxing your signed and dated document to 01482 218697 marked "For the attention of the Company secretary".

**Once you have signified your agreement to the resolutions, you cannot revoke it.** Please ensure that your agreement reaches us no later than the close of business on 10<sup>th</sup> ~~March~~ <sup>April</sup> 2008. Please note that you can only agree to all of the resolutions and not some only. Any document or reply which purports to

approve some only of the resolutions will be treated as a vote against all of the resolutions

**4. Action required if you do not wish to agree to the resolutions:**

You do not have to do anything Failure to respond will not be treated as agreement to the resolutions.

**THE COMPANIES ACTS 1985, 1989 AND 2006**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**MEMORANDUM**

**and**

**ARTICLES OF ASSOCIATION**

**- of -**

**ARROW INDUSTRIAL HOLDINGS LIMITED**

**(A Private Company adopting Table A with modifications)**

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**Incorporated the 24 day of October 2007**

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FARRER & CO LLP  
66 Lincoln's Inn Fields  
London WC2A 3LH  
Tel: 020 7242 2022  
Fax 020 7242 9899  
[www.farrer.co.uk](http://www.farrer.co.uk)



similar to those of the Company and any company which is for the time being the Company's holding company as defined by section 736 of the CA 1985 or another subsidiary as defined by the said section of the Company's holding company or otherwise associated with the Company in its business,

- (b) to grant pensions, allowances, gratuities and bonuses to directors and other officers, ex-officers, employees or ex-employees of the Company or of any subsidiary or allied company or of the predecessors in business thereof or the widows, dependants or connections of such persons, to establish and maintain or concur in establishing and maintaining trusts, funds or schemes (whether contributory or non-contributory) with a view to providing pensions or other benefits for any such persons as aforesaid, their widows, dependants or connections; and
- (c) to support or subscribe to any charitable funds or institutions, the support of which may, in the opinion of the directors of the Company, be calculated directly or indirectly to benefit the Company or any subsidiary or allied company, or the directors and other officers or employees thereof, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Company or any subsidiary or allied company or the directors and other officers or employees thereof

And so that

- (A) None of the objects set forth in any sub-clause of this clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this clause, or by reference to or inference from the name of the Company
- (B) None of the sub-clauses of this clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other sub-

clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this clause as though each such sub-clause contained the objects of a separate company

(C) In this clause

- 1) the word "company", except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere
- 2) references to CA 1985 and CA 2006 are to the Companies Act 1985 and the Companies Act 2006 respectively
- 3) references to any particular provision of CA 1985 include any statutory modification or re-enactment of that provision for the time being in force and any provision(s) of CA 2006 (and its related commencement orders) which replaces the same (with or without modification)
- 4) unless expressly stated otherwise, references to the Companies Acts are to CA 1985 and CA 2006 in each case to the extent to which the provisions of the same are for the time being in force
- 5) the expressions "holding company", "subsidiary" and "subsidiary undertaking" shall have the same meanings as given to those terms in the Companies Acts

4 The liability of the Members is limited

5 The Share capital of the Company is £7,750,000 divided into 250,000 Ordinary Shares of £1 each, 5,000,000 A Preference Shares of £1 each and 2,500,000 B Preference Shares of £1 each

WE the subscriber to this Memorandum of Association wish to be formed into a company pursuant to this Memorandum, and we agree to take the number of Shares shown opposite our name.

| NAME AND ADDRESS OF SUBSCRIBER                                             | Number of Shares<br>taken by the Subscriber |
|----------------------------------------------------------------------------|---------------------------------------------|
| TYROLESE (DIRECTORS) LIMITED<br>66 Lincoln's Inn Fields<br>LONDON WC2A 3LH | ONE                                         |

DATED this            day of            2007.

WITNESS to the above signature.

66 Lincoln's Inn Fields,  
LONDON, WC2A 3LH

Company No 66407922

THE COMPANIES ACTS 1985, 1989 AND 2006

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

- of -

ARROW INDUSTRIAL HOLDINGS LIMITED

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**1. Preliminary**

1.1 In these Articles.

- (a) Table A means Table A of The Companies (Tables A to F) Regulations 1985, as amended by the Companies (Tables A to F) (Amendment) Regulations 1985, the Companies Act 1985 (Electronic Communications) Order 2000, the Companies (Tables A to F) (Amendment) Regulations 2007 and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007;
- (b) unless expressly stated to the contrary, words and phrases used shall have the meanings ascribed to them in or by virtue of Table A or as may otherwise be defined in the Companies Acts;
- (c) a reference to a Regulation is to a regulation in Table A,
- (d) a reference to an Article is to a provision of these Articles;
- (e) references to CA 1985 and CA 2006 are to the Companies Act 1985 and the Companies Act 2006 respectively;

- (f) references to the Companies Acts are to CA 1985 and CA 2006 in each case to the extent to which the provisions of the same are for the time being in force,
- (g) a reference to any particular provision CA 1985 includes any statutory modification or re-enactment of that provision for the time being in force and any provision(s) of CA 2006 (and its related commencement orders) which replace(s) the same (with or without modification),
- (h) the expressions "Member" or "Shareholder" means any registered holder of a Share, "Shares" means the Ordinary Shares and the Preference Shares (as defined in Article 2 1), and "Share" means any one share of any such class;
- (i) the expressions "Investment Agreement" means the subscription and shareholders' agreement entered into by the Company and its Members for the time being on or around the date of adoption of these Articles and "Majority" and "Majority Director" shall have the meaning given to them in the Investment Agreement, and
- (j) the expressions "holding company", "subsidiary" and "subsidiary undertakings" shall have the same meanings as given to them in the Companies Acts

1 2 The Regulations contained in Table A shall apply to the Company with the exceptions, modifications and additions mentioned in these Articles The Regulations of Table A numbered 3, 8, 23, 24, 35, 41, 64-70 inclusive, 73-77 inclusive, 81, 94-97 inclusive, 111, 112, 113, 115 and 118 shall not apply to the Company

1 3 The Company is a private company and accordingly no Shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and the Company shall not allot or agree to allot (whether for cash or otherwise) any Shares in or debentures of the Company with a view to all or any of those Shares or debentures being offered to the public.

## **2. Shares**

### **2 1 Capital and Class**

2 1.1 The share capital of the Company is £7,750,000 divided into 250,000 Ordinary Shares of £1 each ("Ordinary Shares"), 5,000,000 Cumulative Participating Redeemable A Preference Shares of £1 each ("A Shares") and 2,500,000 Cumulative Participating Redeemable B Preference Shares of £1 each ("B Shares") (the A Shares and B Shares, when the context so requires, together being referred to as the "Preference Shares") The Ordinary Shares, the A Shares and the B Shares shall each constitute separate classes of Shares and shall carry the respective rights and privileges set out in these Articles but shall otherwise rank *pari passu*

### **2 2 Voting**

2 2.1 On a show of hands, every holder of Ordinary Shares who is present in person or by a representative or by proxy shall have one vote, and on a poll every holder of Ordinary Shares who is present in person or by a representative or by proxy shall have one vote, for every Ordinary Share of which he is the holder

2.2.2 The holders of the Preference Shares shall not be entitled to receive notice of, or attend and vote at, any general meeting of the Company unless the business of the meeting includes a resolution for any one of the following matters

- (a) a resolution to wind-up or dissolve the Company; or
- (b) a resolution to make any repayment or reduction of share capital, or
- (c) a resolution to vary or abrogate any of the class rights attached to the Preference Shares whether by amendment to the Articles of Association or otherwise,

whereupon the holders shall be entitled to receive notice of and attend and vote on those resolutions proposed at the meeting and on no others, and the Preference

Shares shall, with regard to any of the resolutions mentioned above, rank pari passu as to voting rights with the Ordinary Shares

2 2 3 The holders of the Preference Shares shall also be entitled to receive notice of and attend and vote at general meetings of the Company pari passu to the holders of the Ordinary Shares if payment of the cumulative preferential dividend, to be paid to the holders of the Preference Shares in accordance with the provisions of Article 2 3 in respect of any accounting period, shall be more than one month in arrears from the date that such payment is due

2 2 4 If any notice of a general meeting is despatched to any holders of Preference Shares pursuant to Article 2 2 3, and the Company then pays the arrears of the cumulative preferential dividend in full to such holders before the date set for the meeting, such holders shall not be entitled to attend and vote at the general meeting unless the business of the meeting includes the consideration of any resolution mentioned in Article 2 2.2, in which case attendance and voting rights for those holders shall be restricted to such resolutions only.

## 2.3 Income

2 3.1 The holders of the Preference Shares shall be entitled to receive a cumulative preferential cash dividend of 8% per annum on the amounts (including any premium) paid up on the Preference Shares (the "Preferential Dividend"), which dividend shall accrue on a daily basis and subject to the Companies Acts shall be payable (notwithstanding the requirements of any Regulation and whether or not there has been a recommendation of the directors or resolution of the Company in respect thereof) quarterly (in arrears) on 15 March, 15 June, 15 September and 15 December in each year (save that the first payment shall be made on 15 March 2008 in respect of the period commencing on the date of the issue of the Preference Shares down to and including such date)

2 3 2 The Preferential Dividend shall be paid before the payment of a dividend (if any) to the holders of the Ordinary Shares and the right of the holders of A Shares to be paid the Preferential Dividend in respect of the A Shares held by them shall at all times

rank in priority to the rights of the holders of B Shares to be paid any Preferential Dividend in respect of the B Shares held by them (and, without prejudice to the rights of accrual of the holders of B Shares, no Preferential Dividend shall be paid to the holders of B Shares in respect of the B Shares held by them until the holders of A Shares have been paid in respect of the A Shares held by them all accrued Preferential Dividend due to them in full

- 2 3.3 If any (or any part of any) Preferential Dividend is not paid on or before the required time for payment under Article 2 3.1 (whether because the Company is prohibited from making such payment under the Companies Acts or otherwise) the amount so accrued and not paid shall be a debt due by the Company and shall be payable in priority to any later Preferential Dividend or dividend on Ordinary Shares (the rights of the holders of A Shares in respect of such arrears of Preferential Dividend ranking in priority to any arrears or accruals of Preferential Dividend in respect of B Shares in accordance with Article 2 3.2)
- 2 3.4 In addition to the payment of the Preferential Dividend, the holders of the Preference Shares as a class, shall be entitled to participate in any dividend declared payable to the holders of the Ordinary Shares after the payment of the Preferential Dividend Such participation shall be limited to 5% in aggregate of the amount declared payable on the Ordinary Shares and shall be payable pro-rata to the holders of the Preference Shares at the same time as payment of any dividend is made to the holders of the Ordinary Shares
- 2 3.5 For the avoidance of doubt the Preferential Dividend shall be paid at the rate mentioned above together with (and not exclusive of) the imputed tax credit at the rate prevailing from time to time
- 2 3.6 The Company shall procure (so far as it is able) that each subsidiary of the Company shall from time to time declare and pay to the Company such dividends as are available to it for lawful distribution so as to permit, when required, lawful and prompt payment by the Company of the Preferential Dividends

## 2.4 Winding-Up or Return of Capital

2.4.1 If, on a winding-up of the Company or other return of capital (except on a redemption or purchase of shares in accordance with these Articles) there remains after the payment of all debts and liabilities of the Company, surplus assets for distribution amongst the Members, such surplus assets shall be applied in the following order of priority

- (a) first in paying to each holder of the A Shares in respect of each A Share of which he is the holder the amounts paid up on such Shares together with a sum equal to the accrued but unpaid Preferential Dividend (calculated pro-rata down to the date of repayment) and all unpaid arrears, deficiencies and accruals of dividend or other distribution in respect of such Shares,
- (b) if there shall be insufficient surplus assets to repay in full to the holders of the A Shares the amounts due under Article 2.4.1(a), the surplus assets shall be distributed to the holders of the A Shares pro-rata to the number of Shares held by them,
- (c) secondly in paying to each holder of B Shares in respect of each B Share of which he is the holder the amounts paid up on such Shares together with a sum equal to the accrued but unpaid Preferential Dividend (calculated pro-rata down to the date of repayment) and all unpaid arrears, deficiencies and accruals of dividend or other distribution in respect of such Shares,
- (d) if there shall be insufficient surplus assets to repay in full to the holders of the B Shares the amounts due under Article 2.4.1(c), the surplus assets shall be distributed to the holders of the B Shares pro-rata to the number of Shares held by them,
- (e) if, after the payment in full of the amounts specified in Articles 2.4.1(a) and 2.4.1(c), there remains surplus assets available for distribution amongst the Members, such surplus assets shall be distributed to the holders of the Ordinary Shares only pro-rata to the number of Ordinary Shares held by

them (and the holders of the Preference Shares shall not be entitled to participate further in the distribution of such surplus assets)

2.5 Redemption

2.5.1 The Ordinary Shares carry no rights of redemption

2.5.2 The Preference Shares may be redeemed in accordance with Article 4

2.6 Directors Authority to Allot

Subject to the provisions of the Investment Agreement, the directors are generally and unconditionally authorised for the purposes of Section 80 of CA 1985 to allot and dispose of or grant options over the Company's Shares to such persons (including the directors), on such terms and in such manner as they think fit, up to the amount of the Share capital created on incorporation of the Company at any time or times during the period of five years from the date of incorporation

3. Redeemable Shares

Subject to the provisions of the Companies Acts

3.1 the Company may issue Shares which are to be redeemed or are liable to be redeemed (i) in accordance with Article 4 or (ii) otherwise at the option of the Company or the holder thereof on such terms and in such manner as the Company before the issue of the Shares may by special resolution determine,

3.2 any redeemable Shares issued by the Company may be redeemed out of distributable profits of the Company, out of the proceeds of a fresh issue of Shares made for the purposes of the redemption and/or out of the capital of the Company, and

3.3 any premium payable on redemption may be paid out of distributable profits of the Company or otherwise in accordance with such of the applicable provisions of CA 1985 or CA 2006 as may be in force from time to time and for the time being

#### **4. Redemption of Preference Share**

- 4 1 At any time on or after 8 February 2013 ("Principal Redemption Date") (or if, before this date, the provisions of Articles 9 or 10 shall apply and, in pursuance of the same, any Buyer (as defined in Article 9) makes any Approved Offer (as also defined in Article 9) to purchase Shares conditional on the redemption of the Preference Shares (or any of them)) any holder of Preference Shares shall be entitled, upon giving the Company not less than 20 days written notice (in the case of any redemption on or after the Principal Redemption Date other than following an Approved Offer) or 7 days written notice (in the case of any redemption pursuant to the terms of an Approved Offer) ("Redemption Notice") requiring the Company to redeem (i) all or any number of the Preference Shares then held by him, at the relevant holder's option (in the case of any redemption on or after the Principal Redemption Date other than following an Approved Offer) or (ii) the number of Preference Shares then held by him required to be redeemed pursuant to any Approved Offer
- 4 2 Upon expiry of such Redemption Notice period the Company shall redeem the number of Preference Shares specified in such notice (provided the same is permitted in accordance with Article 3 and subject to the rights of priority referred to in Article 4 3) by the payment by (and as a debt of) the Company to the relevant holder of Preference Shares of a sum equal to the aggregate of (i) all amounts paid up (including premium) plus (ii) all unpaid arrears, deficiencies or accruals of any Preferential Dividends or other dividend or distribution (whether earned or declared or not) in each case in respect of the Preference Shares to be redeemed pursuant to such Redemption Notice and, where relevant, down to and including the date of redemption
- 4 3 If the Company is permitted by Article 3 to redeem only some of the Preference Shares which fall to be redeemed in accordance with notices served pursuant to article 4 1, the Company shall only redeem such number of such Preference Shares that it can so redeem at that time (and the rights of the holders of A Shares to have redeemed any A Shares specified for redemption in any Redemption Notice shall rank in priority to the rights of any holder of B Shares to have any B Shares

redeemed whether such holder of A Shares serves any Redemption Notice before or after the service of a Redemption Notice by any holder of B Shares provided such B Shares have not, at the date of service of a Redemption Notice by the holder of A Shares, been redeemed). Unless the relevant holder otherwise elects by prior written notice to the Company, the Company shall redeem, as soon thereafter as it may do so, all the remaining Preference Shares so to be redeemed (the rights of the holders of A Shares to likewise rank in priority to the holders of B Shares) and pending such redemption, shall not make any payment to the holders of any other class of Shares (whether in respect of dividend, the purchase of shares, any put or call option or otherwise) but without prejudice to the accrual of such dividend(s) or any consequence under these Articles of the late payment of the same

4.4 Upon receipt of the amount referred to in Article 4.1, the relevant holders of Preference Shares shall deliver to the Company for cancellation the certificate(s) for those Shares or an indemnity in a form reasonably satisfactory to the Company in respect of any missing share certificate(s). If any share certificate delivered to the Company includes any Shares not redeemable at that time, the Company shall forthwith issue without charge to the holder at the same time a fresh certificate for the balance of the Preference Shares not redeemed. Any redemption of Preference Shares shall take place at the registered office of the Company.

4.5 If any Member whose Preference Shares are liable to be redeemed under this Article 4 fails to deliver to the Company the documents referred to in Article 4.4 the Company shall retain the redemption monies payable to that Member on trust for that Member (but without obligation to invest or earn or pay interest in respect of the same) until it receives such documents. The Company shall then pay such redemption monies to the relevant Member upon receipt of such documents.

## **5. Purchase of Company's Shares**

Subject to the provisions of the Companies Acts, the Company may

- 5.1 purchase its own Shares (including any redeemable Shares) and enter into a contingent purchase contract for the purchase of its own Shares, and
- 5.2 make any payment in respect of such purchase out of distributable profits of the Company, out of the proceeds of a fresh issue of Shares made for the purpose, or out of the capital of the Company

**6. Lien**

The Company shall have a first and paramount lien upon every Share (whether a fully paid up Share or not) registered in the name of any Member, either alone or jointly with any other person, for his or his estate's debts, liabilities and engagements, whether solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not. Such lien shall extend to all dividends from time to time declared or other moneys payable in respect of every such Share, but the directors may at any time declare any Share to be exempt, wholly or partially, from the provisions of this Article 6.

**7. Transfer Of Shares**

- 7.1 The instrument of transfer of any Share shall be in a form approved by the directors and shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the register of Members in respect thereof. In the case of a partly-paid Share only, the instrument of transfer must also be executed by or on behalf of the transferee
- 7.2 The directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of any Share whether or not it is a fully paid Share save in the case of a transfer properly made in accordance with Article 7.3

7.3 No Member shall sell, transfer, assign, pledge, charge or otherwise dispose of any Share or any interest in any Share except

- (a) with the prior written consent of Members who between them hold not less than 60% in nominal value of all Shares then in issue for the time being, provided always that any sale or transfer can only be made to an investment fund for those holders of A Shares on the date of adoption of these Articles, (or their Privileged Relations) provided such fund is managed by Chelverton Asset Management Limited (registered number 3429348) or its holding company, subsidiary or subsidiary undertaking; or
- (b) in accordance with Article 8, or
- (c) in accordance with Articles 9 and 10

## **8. Permitted Transfers**

8.1 For such time as any Member (together, where relevant, with his Permitted Transferees) holds not less than 60% of the nominal value of all Shares then in issue, he (each an "Original Transferor") shall be entitled to transfer any Share (or any interest therein)

- (a) to his Privileged Relations or to the trustee(s) of a Family Trust (and any such Privileged Relations or trustee(s) shall be entitled to transfer any Share (or any interest therein) to the Original Transferee or, at the written direction of the Original Transferee, to any other of his Privileged Relations or to any other person or persons shown to the reasonable satisfaction of the Original Member to be the trustee(s) for the time being (on a change of trustee) of the Family Trust in question), or
- (b) to a company of which the Original Transferor (together with any of his Privileged Relations or other Permitted Transferees) holds shares in the capital of that company conferring in aggregate more than 50% of the

voting rights conferred by all the shares in the capital of that company for the time being in issue (or to any subsidiary of that company),

and in the event of the death of any Member who would otherwise have been entitled to take the benefit of this Article 8.1, his personal representative(s) shall be entitled to make any such transfers to any persons as would have been permitted by that deceased Member

## 8.2 Where Shares are held

- (a) by a trustee or trustees of a Family Trust, or
- (b) by one or more Privileged Relations of the Original Transferor,

and any such person ceases (otherwise than on the death of the Original Transferor) to be

- (c) in the case of (a) above, a trustee of the Family Trust of the beneficial owner of the Shares, or
- (d) in the case of (b) above, a Privileged Relation of the Original Transferor,

such person will on or before the cessation transfer such Shares to a transferee permitted (as the case may be) under Article 8.1 or to the Original Transferor.

8.3 Where Shares are held by any company pursuant to Article 8.1(b) and the Original Transferor (together with any relevant Privileged Relation(s)) ceases to hold in aggregate the number of voting shares in that company required under Article 8.1(b) that company (or any subsidiary of that company to which any Shares have been transferred) shall on or before cessation transfer such Shares to the Original Transferor (or any other Permitted Transferee nominated in writing by him).

8.4 If a Member fails or refuses to execute and deliver any transfer in respect of any Shares in accordance with Article 8.2 or Article 8.3, the directors may (and will if requested by the Original Transferor) authorise any director or any other person to

execute and deliver the necessary transfer(s) on the defaulting Member's behalf. The directors will authorise the registration of the transfer, and of the transferee as the holder of the Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of the transferee as the registered holder of such Shares will not be affected by any irregularity in or invalidity of such proceedings, which will not be questioned by any Member.

8.5 For the purposes of this Article 8.

- (a) "Family Trust" means a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) under which the only persons being (or capable of being) beneficiaries are the individual beneficial owner of the Shares held in trust and/or his Privileged Relations, and no power of control over the voting powers conferred by such Shares is exercisable at any time by or subject to the consent of any person other than the trustees as trustees or such individual beneficial owner or his Privileged Relations,
- (b) "Privileged Relation" means in relation to any Member, the Member's spouse or civil partner for the time being, parent, and all lineal descendants of that Member (including for this purpose any step-child, adopted child or illegitimate child of the Member or his lineal descendants) or any person who for the time being is married to or is the civil partner of any such lineal descendant; and
- (c) "Permitted Transferee(s)" means any person to whom Shares may be transferred pursuant to Article 8.1.

## 9. **Tag-Along**

- 9.1 No transfer of Shares which would result, if made and registered, in a person or persons Acting in Concert obtaining or increasing a Controlling Interest, will be made or registered unless.

- 9.1.1 An Approved Offer is made by the proposed transferee(s) ("Buyer") or, at the Buyer's written request, by the Company as agent for the Buyer, and
- 9 1 2 The Buyer complied in all respects with the terms of the Approved Offer at the time of completion of the sale and purchase of Shares pursuant to it
- 9 2 For the purposes of this Article 9 and Article 10
- 9.2.1 "Acting in Concert" has the meaning given to it in the City Code on Takeovers and Mergers,
- 9 2 2 "Connected Person" has the meaning given in Section 839 of the Income and Corporation Taxes Act 1988,
- 9 2 3 "Controlling Interest" in relation to a person means the ownership by that person and his or its Connected Persons of Shares carrying the right to more than 50% of the total number of votes which may be cast on a poll at a general meeting of the Company,
- 9 2 4 "Approved Offer" means a bona fide offer in writing made by a person who is not a Connected Person of any Member and on an arm's length basis and which is served on all Members (including the proposing transferor), offering (subject to Article 9 2 4(d)) to purchase all of the Shares held by such Members (including any Shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into Shares in existence at the date of such offer) which
- (a) is stipulated to be open for acceptance for at least 21 days,
  - (b) offers the same consideration for each class of Share (whether in cash, securities or otherwise in any combination),
  - (c) includes an undertaking by or on behalf of the Buyer that, subject to compliance by the Buyer with Article 9 2 4(d), no other consideration (whether in cash or otherwise) is to be received or receivable by any

Member which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares to be sold by such Member, and that neither the Buyer nor any person acting by agreement or understanding with it has otherwise entered into more favourable terms or has agreed more favourable terms with any other Member for the purchase of Shares of the same class,

- (d) in the case of the Preference Shares offers, includes either (i) provision for the payment of all arrears, deficiencies and accruals of the Preferential Dividend and a price for each Preference Share which is not less than the amount credited as paid up on each Preference Share or (ii) otherwise makes the said offer conditional on the redemption of the Preference Shares in accordance with Article 4,
- (e) is on terms that the sale and purchase of all Shares in respect of which the offer is accepted will be completed at the same time

## **10. Drag Along**

- 10.1 Whenever an Approved Offer is made, the holders of 50% or more of the nominal value of all Shares then in issue (such holders to include the holders of Preference Shares) shall have the right ("Drag Along Right") to require (in the manner set out in Article 10 2) all of the other holder of Shares ("Other Shareholders") to accept the Approved Offer in full and transfer their Shares to the Buyer with full title guarantee
- 10 2 The Drag Along Right may be exercised by the service of notice to that effect on the Other Shareholders at the same time as, or within 7 days following the making of the Approved Offer

10 3 On the exercise of the Drag Along Right, each of the Other Shareholders will be bound to accept the Approved Offer in respect of its entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance

10 4 If any of the Other Shareholders fails to accept the Approved Offer or, having accepted such offer, fails to complete the sale of any of its Shares pursuant to the Approved Offer, or otherwise fails to take any action required of it under the terms of the Approved Offer, any person nominated by the directors or any holder of Shares who had exercised the Drag Along Right (or any persons so authorised by such holders) may accept the offer on behalf of the Other Shareholder in question, or undertake any action required under the terms of the Approved Offer on the part of the Other Shareholder in question. In particular, such person may execute the necessary transfer(s) on that Other Shareholder's behalf, and against

(a) receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the relevant Shares (the receipt being a good discharge to the Buyer, who will not be bound to see the application of it), and

(b) compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer,

deliver such transfer(s) to the Buyer (or its nominee). The directors will then authorise registration of the transfer(s) and of the Buyer (or its nominee) as the holder of the Shares so transferred. After registration, the title of the Buyer (or its nominee) as registered holder of such Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person. The Other Shareholder, will in such a case be bound to deliver up its certificate for its or his Shares to the Company, or a statutory declaration of loss (as appropriate) whereupon the Other Shareholder will be entitled to receive the purchase price for such Shares.

**11. General Meetings**

- 11 1 Every notice convening a general meeting shall comply with the provisions of Section 325 of CA 2006 as to giving information to Members in regard to their right to appoint proxies and all notices of a general meeting shall also be sent to the directors and the auditor of the Company for the time being
- 11 2 If at a general meeting of the Company a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved
- 11 3 One Member having the right to vote at the meeting may demand a poll and Regulation 46 shall be modified accordingly
- 11 4 A Member shall be deemed to be present at a meeting of the Members and to form part of the quorum of that meeting if he participates by telephone or video conferencing facilities and can hear and be heard by the other Members present (or deemed to be present) at the meeting provided that no decision shall be implemented unless and until confirmation of that decision shall have been exchanged between the Members present or deemed to be present at that meeting
- 11 5 If a resolution in writing is described as an ordinary resolution, special resolution or any other type of resolution it shall have effect accordingly

**12. Directors**

- 12 1 The number of directors shall not be less than one and not more than five
- 12 2 If and so long as there is a sole director, he may exercise all the powers of the Company and all powers and authorities vested in the directors by these Articles or Table A Regulation 89 shall be modified accordingly
- 12 3 A director shall not require any Shareholding qualification.

**13. Powers And Proceedings Of Directors**

- 13 1 The quorum of any meeting of the directors shall be 2 directors of which one shall be a Majority Director and one shall be either Neil Beaumont Oliver or Alexander James Grant. If the quorum is not present within 30 minutes of the time specified it shall be adjourned for seven Business Days. Subject to the provisions of the Companies Acts, the Memorandum and the Articles and to any directions given by ordinary resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the directors by these Articles or by Table A and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
- 13 2 Subject to such disclosure as is required by Section 317 of CA 1985 a director may vote as a director in regard to any contract, matter, proposal or arrangement in which he is directly or indirectly interested, whether or not the director or the Company is a party to the same and if he shall so vote his vote shall be counted and he shall be counted in a quorum when any such contract, matter, proposal or arrangement is under consideration.
- 13 3 A person may participate in a meeting of the directors or of a committee of directors by means of electronic communication provided that throughout the meeting all persons participating in the meeting are able to communicate interactively and simultaneously with all other parties participating in the meeting notwithstanding accidental disconnection of the means of electronic communication during the meeting. A person participating in a meeting in this manner shall be deemed present in person at the meeting and shall be entitled to vote and be counted in the quorum.

**14. Alternate Directors**

- 14 1 Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.
- 14 2 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a Member, to attend and vote at any such meeting at which his appointor is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
- 14 3 An alternate director shall cease to be an alternate director if his appointor ceases to be a director, but if a director ceases to hold office but is reappointed or deemed to have been reappointed at the meeting at which he ceases to hold office, any appointment of an alternate director made by him which was in force immediately prior to his ceasing to hold office shall continue after his reappointment.
- 14 4 Any appointment or removal of an alternate director shall be by notice in writing to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors and subject as aforesaid shall take effect when the notice effecting the same is delivered to the Secretary or is produced at a meeting of the directors.
- 14 5 An alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of his appointor.
- 14 6 An alternate director shall have one vote for every director he represents. This shall be in addition to his own vote if he himself is a director. If his appointor is not present, an alternate director shall be counted in the quorum.

**15. Appointment And Removal Of Directors**

- 15.1 The Majority shall have power from time to time to appoint up to three persons willing to act to be a director or directors either as additional directors or to fill any vacancy (provided that any appointment does not cause the total number of directors to exceed any number from time to time fixed by or in accordance with these Articles as the maximum number of directors) and to remove from office any director howsoever appointed.
- 15.2 A Director appointed by the Majority shall not be removed except by a Majority
- 15.3 Any such appointment or removal shall be effected by notice in writing to the Company signed by the Member or Members making the same or in the case of a Member being a company signed by any director thereof or by any person so authorised by resolution of the directors or of any other governing body thereof
- 15.4 Any such appointment or removal shall take effect when the notice effecting the same is delivered to the registered office of the Company or to the Secretary or is produced at a meeting of the directors, and any such removal shall be without prejudice to any claim which a director so removed may have under any contract between him and the Company.
- 15.5 The Majority removing a director shall indemnify and keep indemnified the other Shareholders against any claim associated with that Director's removal from office
- 15.6 The office of a director shall be vacated
- (a) if he resigns his office by notice in writing to the Company, or
  - (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally, or
  - (c) if he becomes prohibited from being a director by law or by reason of any order made under the Company Directors Disqualification Act 1986; or

- (d) if he ceases to be a director by virtue of any provision of the Companies Acts, or
- (e) if he is, or may be, suffering from mental disorder and either (i) he is admitted to hospital in pursuance of an application for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health Act (Scotland) 1960, or (ii) an order is made by a court having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs, or
- (f) if he is otherwise duly removed from office

15 7 No director shall vacate his office or be ineligible for re-election, nor shall any person be ineligible for appointment as a director, by reason only of his attaining or having attained any particular age

15 8 The directors shall not be subject to retirement from office by rotation

## **16. Notices And Communications**

16 1 Notices to be given pursuant to these Articles (other than a notice calling a meeting of directors) shall be given in writing unless these Articles expressly provide otherwise

16.2 The Company may validly send or supply any document (including any notice or Share certificate) or information to a Member.

- (a) by delivering it by hand to the address recorded for the Member in the register of Members,
- (b) by sending it by post or courier in an envelope (with postage or delivery paid) to the address recorded for the Member in the register of Members;

- (c) by fax (except for Share certificates) to a fax number notified by the Member in writing,
- (d) by electronic mail (except a Share certificate) to an email address notified by the Member in writing, or
- (e) by means of a website (except a Share certificate) the address of which shall be notified to the Member in writing,

in accordance with and subject to the "company communications provisions" of CA 2006, but this Article 16 2 does not affect any other provision in any relevant legislation or these Articles requiring notices or documents to be delivered in a particular way

- 16 3 In the case of joint holders of a Share, notices shall be given to the joint holder whose name stands first in the in the register of Members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders
- 16 4 A Member whose registered address for the purposes of Articles 16.2(a) or 16 2(b) above is not within the United Kingdom and who gives to the Company an address within the United Kingdom (a UK Address) at which notices may be given to him or notifies the Company of a fax number or email address to which notices may be sent in electronic form or who agrees or is deemed to agree to notice being given to him by means of a website, shall be entitled to have notices given to him at that UK Address, fax number, email address or by means of such website, but otherwise no such Member shall be entitled to receive any notice from the Company
- 16 5 A Member present, either in person or by proxy or, being a corporation, by its representative, at any meeting of the Company or of holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called

16 6 If a document or information (whether in hard copy form or electronic form) is delivered by hand, it is deemed to have been received by the intended recipient at the time it is handed to or left for the Member

16 7 If a document or information (whether in hard copy form or electronic form) is sent by post or courier, to an address in the United Kingdom, it is deemed to have been received by the intended recipient

(a) 48 hours after it was posted, if first class post was used, or

(b) 72 hours after it was posted or given to the courier, if first class post was not used;

provided that it was properly addressed and either put into the post system or given to the courier with postage or delivery paid

16 8 If a document (other than a Share certificate) or information is sent by fax or electronic mail, it is deemed to have been received by the intended recipient at the time it was sent provided that it was sent to the correct fax number or email address.

16.9 If a document (other than a Share certificate) or information is sent by means of a website, it is deemed to have been received by the intended recipient when it was first made available on the website, or if later, when the recipient received (or is deemed to have received) information that it was available on the website

## **17. Indemnity And Insurance**

17 1 Subject to the provisions of, and so far as may be permitted by and consistent with Sections 234–238 CA 2006 to the extent relevant, each director and officer of the Company shall be indemnified out of the Company's assets against all liabilities incurred by him to a person other than the Company or an associated company in connection with the execution of his duties, or in relation thereto including any

liability incurred by him in defending any civil or criminal proceedings, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs, but, for the avoidance of doubt such indemnity shall not cover any liability of a director which is mentioned in Section 243(3) CA 2006.

- 17.2 To the extent permitted by the Companies Acts (and in accordance with Section 233 CA 2006 in the case of directors), the Company may buy and maintain insurance against any liability falling upon its directors and other officers and auditors