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COMPANIES HOUSE

A52 31/05/2008 259

COMPANIES HOUSE

**Company number 6542437**

## **WRITTEN RESOLUTIONS OF BLUE SPARK HOLDINGS LIMITED (Company)**

### **CIRCULATION DATE:**

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that resolution 1 is passed as a special resolution (Special Resolution) and resolution 2 and 3 are passed as ordinary resolutions (Ordinary Resolutions).

### **SPECIAL RESOLUTION**

1. THAT the draft regulations attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

### **ORDINARY RESOLUTION**

2. THAT the authorised share capital of the company be increased from £300,000 to £500,000 by the creation of 200,000 cumulative redeemable preference shares of £1 each to be dealt with in accordance of the articles of the Company
3. THAT the directors be and they are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £500,000 provided that this authority is for a period expiring 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 subsisting authorities, to the extent unused

### **AGREEMENT**

Please read the notes at the end of this document before signifying your agreement to the Special Resolutions

The undersigned, a person entitled to vote on the above resolutions on 30 April 2008, having been supplied with the original of the statutory declaration

The undersigned, a person entitled to vote on the above resolutions on [CIRCULATION DATE], having been supplied with the original of the statutory declaration made pursuant to section 155 of the Companies Act 1985 and the auditors' report annexed thereto, hereby irrevocably agrees to the Special Resolutions

**Craig Ball**



**Mark Bertolini**

**Paul Wardleworth**

#### **NOTES**

1 You can choose to agree to all of the Special Resolutions or none of them but you cannot agree to only some of the resolutions. If you agree to all of the resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

- **By Hand** delivering the signed copy to Tom Sleight of Prettys Solicitors, Number One, Legg Street, Chelmsford, Essex, CM1 1JS
- **Post** returning the signed copy by post to Tom Sleight of Prettys Solicitors (address as above)
- **Fax** faxing the signed copy to (01245) 295299 marked "For the attention of Tom Sleight"
- **E-mail** by attaching a scanned copy of the signed document to an e-mail and sending it to [tsleight@prettys.co.uk](mailto:tsleight@prettys.co.uk). Please enter "Written resolutions dated [CIRCULATION DATE]" in the e-mail subject box

If you do not agree to all of the resolutions, you do not need to do anything. You will not be deemed to agree if you fail to reply.

2 Once you have indicated your agreement to the resolutions, you may not revoke your agreement.

section 155 of the Companies Act 1985 and the auditors' report annexed thereto, hereby irrevocably agrees to the Special Resolutions:

Craig Ball



Mark Bertolini

Paul Wardleworth

#### NOTES

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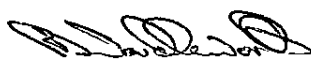
2. Once you have indicated your agreement to the resolutions, you may not revoke your agreement

3. Unless, by 9 May 2008, sufficient agreement has been received for the resolutions to pass, they will lapse. If you agree to the resolutions, please ensure that your agreement reaches us before or during this date.

The undersigned, a person entitled to vote on the above resolutions on [CIRCULATION DATE], having been supplied with the original of the statutory declaration made pursuant to section 155 of the Companies Act 1985 and the auditors' report annexed thereto, hereby irrevocably agrees to the Special Resolutions

**Craig Ball**

**Mark Bertolini**



**Paul Wardleworth**

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**THE COMPANIES ACTS 1985 AND 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION OF BLUE SPARK HOLDINGS LTD**

**1. PRELIMINARY**

1 1 The regulations constituting Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2541) and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007/2826), and as otherwise amended prior to the adoption of these Articles (Table A) apply to Blue Spark Holdings Ltd (**Company**) except in so far as they are excluded or varied by these articles

1 2 Words and expressions defined in Regulation 1 of Table A have the same meanings in these articles where the context admits

1 3 Regulations 2, 3, 8, 24, 35, 41, 46, 54, 64, 66, 76-79, 84, 94 and 118 of Table A do not apply to the Company

1 4 The Company is a private company and no shares or debentures of the Company may be offered to the public

1 5 The following definition shall apply to these Articles

**Banking Documents** means a facilities agreement of even date with the adoption of these Articles and made between (1) the Company and Precision Parts Engineering Limited (2) the Lender (as defined therein) (together with its transferees, successors and assigns) as the same may be supplemented, varied or amended hereafter, and a Deed Of Subordination of even date with the adoption of these Articles and made between (1) the Bank (as defined therein) (together with its transferees, successors and assigns) as the same may be supplemented, varied or amended hereafter (2) the Subordinated Creditors (as defined therein) and (3) Precision Parts Engineering Limited and the Company

**Fair Value:** means the value of the Sale shares determined in accordance with Article 5

**Sales shares:** the shares specified for sale in a Transfer Notice

**Seller:** the transferor of shares pursuant to a Transfer Notice

**Transfer Notice:** a notice in writing given by any Shareholder to the Company where that shareholder desires, or is required by these Articles, to transfer or enter into an agreement to transfer) any shares

**2. SHARE CAPITAL**

- 2.1 The share capital of the Company is £500,000 divided into 300,000 ordinary shares of £1 each (**Ordinary Shares**) and 200,000 redeemable preference shares of £1 each (**Preference Shares**)
- 2.2 The Preference Shares shall confer on their holders the right to a fixed cumulative preferential dividend in priority to any dividend paid to the Ordinary Share holders, but for the avoidance of doubt shall carry no voting powers, and shall not be transferrable
- 2.3 The Company shall redeem the number of Preference Shares set out in column one of the table below on the dates set out in column two for the price set out in column three

Number of Preference Shares	Date to be redeemed	Price to be paid
15,000	3 years from the date of the adoption of these articles	Par value plus 10%
15,000	4 years from the date of the adoption of these articles	Par value plus 10%
15,000	5 years from the date of the adoption of these articles	Par value plus 10%

- 2.4 Subject to the Act and without prejudice to the rights attached to any existing shares, any share may be issued with or have attached to it such rights or restrictions as the Company may by special resolution determine
- 2.5 In accordance with and subject to the provisions of Part V of the Companies Act 1985 the Company may
- (a) subject to any rights conferred on the holders of any other shares issue shares that are to be redeemed or are liable to be redeemed at the option of the Company or holder,

- (b) subject to any rights conferred on the holders of any class of shares purchase its own shares (including any redeemable shares),
- (c) make a payment in respect of the redemption or purchase of any of its own shares as authorised by these articles otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares

### **3. LIEN**

The Company shall have a first and paramount lien on all shares whether fully paid or not registered (whether as sole registered holder or as one of two or more joint holders) in the name of any person indebted or under liability to the Company for all moneys presently payable by him or his estate to the Company. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation.

### **4. TRANSFER OF SHARES SUBJECT TO PRE-EMPTION RIGHTS**

- 4.1 In this Article, references to a transfer of a Share include the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 4.2 Except where the provisions of Article 6, Article 8 or Article 9 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article.
- 4.3 A Seller shall, before transferring or agreeing to transfer any Shares, give a Transfer Notice to the Company specifying
  - (a) the number of Sale Shares,
  - (b) if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed transferee, and
  - (c) the price (in cash) per share at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board (**Transfer Price**)), and
- 4.4 Once given (or deemed to have been given) under these Articles, a Transfer Notice may not be withdrawn.
- 4.5 A Transfer Notice appoints the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

4 6 As soon as practicable following the receipt of a Transfer Notice, the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 4 7 Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered

4 7 The Board shall offer the Sale Shares to all shareholders other than the Seller (**Continuing Shareholders**), inviting them to apply in writing within 28 Business Days of the date of the offer (**First Offer Period**) for the maximum number of Sale Shares they wish to buy

If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares Fractional entitlements shall be rounded to the nearest whole number No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy

If only some of the Sale Shares are allocated in accordance with this Article, but there are applications for Sale Shares that have not been satisfied, those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in this Article 4 7

If, at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications The balance (**Initial Surplus Shares**) shall be dealt with in accordance with Article 4 8

4 8 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares to all the Continuing Shareholders, inviting them to apply in writing within 28 Business Days of the date of the offer (**Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy

If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that his existing holding of Shares (including any Sale Shares) bears to the total number of Shares (including any Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period Fractional entitlements shall be rounded to the nearest whole number No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy



If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications. The balance (**Second Surplus Shares**) shall be dealt with in accordance with Article 4.11.

- 4.9 If allocations under Article 4.7 and, if necessary, Article 4.8 have been made in respect of some or all of the Sale Shares,

the Board shall give written notice of allocation (**Allocation Notice**) to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (**Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to him (**Consideration**) and the place and time for completion of the transfer of the Sale Shares (which shall be not more than 20 Business Days after the date of the Allocation Notice).

- 4.10 On the service of an Allocation Notice, the Seller shall, against payment of the Consideration, transfer the Sale Shares allocated in accordance with the requirements specified in the Allocation Notice.

If the Seller fails to comply with the requirements of the Allocation Notice

- (a) the Chairman of the Company (or, failing him, one of the other Directors, or some other person nominated by a resolution of the Board) may, on behalf of the Seller
  - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
  - (ii) receive the Consideration and give a good discharge for it, and
  - (iii) (subject to the transfers being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and
- (b) the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.

- 4.11 If an Allocation Notice does not relate to all of the Sale Shares then, subject to Article 4.12 and within [NUMBER] weeks following service of the Allocation Notice, the Seller may transfer the Second Surplus Shares to any person at a price at least equal to the Transfer Price.

4 12 The Seller's right to transfer Shares under Article 4 11 does not apply if the Board reasonably considers that

- (a) the transferee is a person (or a nominee for a person) who is a competitor with (or an Associate of a competitor with) the business of the Company, or
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
- (c) the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the Board to enable it to form the opinion mentioned above

4 13 The restrictions imposed by this Article may be waived in relation to any proposed transfer of Shares with the consent of Shareholders who, but for the waiver, would or might have been entitled to have such Shares offered to them in accordance with this Article

## 5. FAIR VALUE

5 1 The **Fair Value** for any shares to be transferred under this agreement is that proportion of the amount the Auditors consider to be the fair value of the entire issued share capital of the Company that the Seller's shares bear to the entire issued share capital of the Company (with no discount for the size of the Seller's shareholding)

5 2 In determining the Fair Value of the entire issued share capital of the Company, the Auditors rely on the following assumptions

- (a) the sale is between a willing seller and a willing buyer,
- (b) the shares are sold free of all restrictions, liens, charges and other encumbrances, and
- (c) the sale is taking place on the date the Auditors were requested to determine the Fair Value

## 6. PERMITTED TRANSFERS

6 1 Notwithstanding the provisions of article 4 and article 10

- (a) any Shareholder who is a director of the Company may at any time transfer any Share to a spouse, daughter, son, niece or nephew (**Family Member**) over the age of 18 or to the trustees of a flexible life interest trust to protect the assets of a Shareholder (**Family Trust**),
- (b) any Shareholder who is a trustee of a Family Trust may at any time transfer any Share to
  - (i) the new or remaining trustees of the Family Trust upon any change of trustees, and

- (ii) any persons (being a Family Member of a Shareholder or of a former Shareholder who has previously transferred some or all of his Shares in accordance with article 6.1 (a)) on their becoming entitled to the same under the terms of the Family Trust,
- (c) any Shareholder holding Shares as a result of a transfer made after the date of the adoption of these articles by a person in relation to whom such Shareholder was a permitted transferee under the provisions of this article may at any time transfer any Share to the person who originally transferred such Shares (or to any other permitted transferee of such original transferor), and

## **7. DEEMED TRANSFERS**

7.1 A Shareholder is deemed to have served a Transfer Notice in respect of their Ordinary Shares under clause 4.3 immediately before any of the following events of default

- (a) his death, or
- (b) a bankruptcy order being made against him, or an arrangement or composition being made with his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or
- (c) he commits a material breach of any obligation under this agreement and fails to remedy such breach within 14 Business Days of notice to remedy the breach being served by all the other Shareholders, or
- (d) if he is an employee of the Company or any subsidiaries of the Company and he is dismissed in circumstances where the Company is justified in dismissing without notice or pay in lieu of notice, or if he resigns

7.2 The deemed Transfer Notice has the same effect as a Transfer Notice, except that

- (a) the deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the shares and the parties shall refer the question of a valuation to the Auditors under,
- (b) the Auditors are required to determine the Fair Value for the shares,
- (c) the Seller does not have a right of withdrawal following a valuation,
- (d) on the completion of any sale in accordance with this clause, the buyer is not required to procure the discharge of any security given by the Seller or to procure the release of any debts of the Company to him, and

**8. DRAG ALONG**

- 8 1 In these articles a Qualifying Offer shall mean an offer in writing by or on behalf of any person (**Offeror**) to the holders of 75% of the equity share capital in the Company to acquire all their equity share capital
- 8 2 If the holders of not less than 75% in nominal value of the equity share capital then in issue (**Accepting Shareholders**) wish to accept the Qualifying Offer, then the provisions of this article shall apply
- 8 3 The Accepting Shareholders shall give written notice to the remaining holders of the equity share capital (**Other Shareholders**) of their wish to accept the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders
- 8 4 If any Other Shareholder shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the equity shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on the Other Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person
- 8 5 Upon any person, following the issue of a notice pursuant to article 8 3, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the company (**New Member**), a notice shall be deemed to have been served upon the New Member on the same terms as the previous notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Offeror or as the Offeror may direct and the provisions of this article shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the notice being deemed served on the New Member

**9. TAG ALONG**

- 9 1 If at any time one or more Shareholders (**Proposed Sellers**) propose to sell, in one or a series of related transactions, 75% of the equity share capital in the Company to any person (not being an Offeror for the purposes of article 8 1) other than pursuant to article 6 (Permitted Transfers), the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this article

9 2 The Proposed Sellers shall give written notice (**Proposed Sale Notice**) to the other holders of the equity share capital in the Company of such intended sale at least ten Business Days prior to the date thereof The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (**Proposed Buyer**), the purchase price and other terms and conditions of payment, the proposed date of sale (**Proposed Sale Date**) and the number of Shares proposed to be purchased by the Proposed Buyer (**Proposed Sale Shares**)

9 3 Any other holder of equity share capital in the Company shall be entitled, by written notice given to the Proposed Sellers within five Business Days of receipt of the Proposed Sale Notice, to be permitted to sell all of his Shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice

9 4 If any other holder of equity share capital in the Company is not given the rights accorded him by the provisions of this article, the Proposed Sellers shall be required not to complete their sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect

#### **10. PROCEEDINGS AT GENERAL MEETINGS**

10 1 If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting is adjourned to such day and at such time and place as the directors may determine and if a quorum is not present within half an hour from the time appointed for the adjourned meeting the meeting is dissolved

10 2 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote

#### **11. VOTES OF MEMBERS**

Subject to any rights or restrictions attached to any shares and to any other provisions of these articles, on a show of hands every member present in person or by proxy shall have one vote, unless the proxy is himself a member entitled to vote and on a poll every member present in person or by proxy shall have one vote for every share of which he is the holder

#### **12. NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum The minimum number of directors is one

**13. ALTERNATE DIRECTORS**

- 13 1 An alternate director may act as alternate director to more than one director and is entitled at a meeting of the directors or of a committee of the directors to one vote for every director that he acts as alternate director for in addition to his own vote (if any) as a director of the Company, but an alternate director counts as only one director in determining whether a quorum is present
- 13 2 An alternate director is entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his appointor's absence. But it is not necessary to give notice of such a meeting to an alternate director who is absent from the UK
- 13 3 Unless otherwise determined by ordinary resolution of the Company, an alternate director is not entitled to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company direct

**14. POWERS OF DIRECTORS**

- 14 1 The directors are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 for a period of five years from the date of incorporation of the Company to allot all or any of the unissued shares of the Company. The maximum aggregate nominal amount of ordinary shares that may be allotted is £500,000. This authority may be varied or revoked by ordinary resolution of the Company
- 14 2 The directors are authorised in accordance with section 91 of the Companies Act 1985 to allot shares of the Company as if section 89(1) of the Companies Act 1985 did not apply to the allotment. This power will expire on the date the section 80 of the Companies Act 1985 authority to which it relates is revoked or (if not renewed) expires, except that the directors may after such date allot securities pursuant to any offer or agreement to do so made before such date

**15. APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 15 1 No person shall be appointed a director at any general meeting unless
- (a) he is recommended by the directors, or
  - (b) not less than 14 or more than 35 clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has

been given to the Company of the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors together with notice executed by that person of his willingness to be appointed

- 15 2 Not less than seven nor more than 28 clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the directors for appointment as a director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment as a director. The notice shall give particulars of that person which would, if he were so appointed, be required to be included in the Company's register of directors
- 15 3 Subject as aforesaid the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director
- 15 4 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any maximum number of directors that may be fixed by ordinary resolution.

#### **16. DIRECTORS' APPOINTMENTS AND INTERESTS**

Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate (unless the terms of his appointment provide otherwise) if he ceases to be a director but without prejudice to any claim for damages for breach of the contract of service between the director and Company

#### **17. PROCEEDINGS OF DIRECTORS**

- 17 1 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. 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

- 17.2 Subject to disclosure in accordance with section 317 of the Companies Act 1985, a director is entitled to vote at any meeting of the directors or of a committee of directors on any resolution, notwithstanding that it in any way concerns or relates to 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, and in relation to any such resolution (whether or not he votes on the same) he is to be taken into account in calculating the quorum present at the meeting

## **18. INDEMNITY**

- 18.1 Subject to the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, each director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him in 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
- 18.2 The Company may buy and maintain insurance against any liability falling upon its directors or other officers which arises out of their respective duties to the Company, or in relation to its affairs

## **19. RELATIONSHIP TO BANKING DOCUMENTS**

- 19.1 The provisions of Articles 2.2 and 2.3 are subject to the following provisions of this Article 19
- 19.2 Notwithstanding any other provision of these Articles no payment shall be declared or made by the Company by way of dividend or other distribution, purchase, redemption, capitalisation, reduction or return of shares or capital or by addition to or repayment of any dividend reserve if and to the extent that such payment is prohibited or restricted by the terms of the Banking Documents. No dividends or other distributions payable in respect of shares, whether pursuant to the provisions of these Articles or otherwise shall constitute a debt enforceable against the Company unless permitted to be paid in accordance with the Banking Documents
- 19.3 Where any dividend or redemption payment is not made because of the provisions of Article 19.2 such dividend shall be paid or redemption payment made upon the necessary consent being obtained or the prohibition thereon ceasing to apply