

THE COMPANIES ACTS 1985 TO 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF

STEPNELL DEVELOPMENTS LIMITED

(COMPANY NUMBER: 6776742)

1. PRELIMINARY

1.1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by The Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052), The Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000 No. 3373), the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007 No. 2541) and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007 No. 2826) so far as it relates to private companies limited by shares (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the Articles of Association of the Company.

1.2 The following words shall having the following meanings in these Articles:-

B Shares: the B Ordinary Shares of £10 each in the capital of the Company.

B Business: such right title and interest as the Company has in the assets (subject to the liabilities) of the Company excluding the C Business.

C Shares: the C Ordinary Shares of £10 each in the capital of the Company.

C Business: such right title and interest as the Company has in:-

a. the shares in Aspen Retirement Limited (including its wholly owned subsidiaries Aspen Retirement Living Limited and Aspen Extra Care Living Limited and the shares Aspen Retirement Limited holds in Evoenergy Limited);

b. the shares in Evoenergy Limited (including its wholly owned subsidiary Sunshare Community Nottingham plc).

shares: the B Shares and/or the C Shares.

1.3 In these Articles the expression "the Act" means the Companies Act 1985 and "the 2006 Act" means the Companies Act 2006, but so that any reference in

these Articles to any provision of the Act or the 2006 Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

2. ALLOTMENT OF SHARES

- 2.1 Shares which are comprised in the authorised share capital of the Company at the date of the adoption of this Article 2.1 (as set out in Article 3.1) shall be under the control of the Directors who may (subject to section 80 of the Act and to Article 2.4 below) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.
- 2.2 All shares which are not comprised in the authorised share capital of the Company at the date of the adoption of this Article 2.2 (as set out in Article 3.1) and which the Directors propose to issue shall first be offered to the holders of the shares in proportion as nearly as may be to the number of shares held by them respectively unless the Company shall by special resolution otherwise direct. The offer shall be made by notice specifying the number of shares offered, and limiting a period (not being less than 14 days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of that period, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period, accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any shares released from the provisions of this article by any such special resolution as aforesaid shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that, in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the holders of the shares. The foregoing provisions of this Article 2.2 shall have effect subject to section 80 of the Act.
- 2.3 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.
- 2.4 The Directors are generally and unconditionally authorised for the purposes of section 80 of the Act to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital of the Company on the date of the adoption of these Articles of Association (as set out in Article 3.1) at any time or times during the period of five years from the date of the adoption of these Articles of Association and the Directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said section 80) be renewed, revoked or varied by ordinary resolution.

3. SHARES

General

- 3.1 The authorised and issued share capital of the Company is £7,500,000 divided into 375,001 B Shares and 374,999 C Shares such shares having the rights and restrictions set out in these Articles of Association.
- 3.2 The Directors shall hold and maintain the B Business and the C Business so that the respective businesses, property investments, cash, other assets, liabilities, obligations and expenses shall be held and maintained separately or shall be distinguishable from each other.
- 3.3 To the extent permitted by law and subject to the provisions referred to below:-
 - 3.3.1 the B Shares shall only be entitled to participate in the assets, property, capital and profit which relate to the B Business;
 - 3.3.2 the C Shares shall only be entitled to participate in the assets, property, capital and profit which relate to the C Business.

Dividend and Distribution Rights

- 3.4 To the extent permitted by law and subject to the other provisions of these Articles, the rights as regards income and other distributions attaching to the B Shares and the C Shares shall be as follows:-
 - (a) the holders of the B Shares shall have the right to receive all the profits of the Company attributable to the B Business and available for distribution by way of dividend or otherwise and resolved to be so distributed;
 - (b) the holders of the C Shares shall have the right to receive all the profits of the Company attributable to the C Business and available for distribution by way of dividend or otherwise and resolved to be so distributed

Return of Capital Rights

- 3.5 To the extent permitted by law and subject to the other provisions of these Articles, on any winding up of the Company or any other return of capital the surplus assets of the Company after payment of its liabilities shall be applied as follows:-
 - 3.5.1 firstly:-
 - (a) in so far as there are assets attributable to the B Business, in paying to the holders of the B Shares the amounts paid up on the shares;
 - (b) in so far as there are assets attributable to the C Business, in paying to the holders of the C Shares the amounts paid up on the shares.
 - 3.5.2 secondly:-

- (a) in so far as there is any balance remaining attributable to the B Business after making such payments, in paying to the holders of the B Shares the balance;
- (b) in so far as there is any balance remaining attributable to the C Business after making such payments, in paying to the holders of the C Shares the balance.

Voting Rights

- 3.6 The holders of the B Shares and C Shares shall be entitled to one vote in respect of each such share he holds.
- 3.7 The lien conferred by regulation 8 in Table A shall attach also to fully paid-up shares, and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company. Regulation 8 in Table A shall be modified accordingly.
- 3.8 The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

4. GENERAL MEETINGS AND RESOLUTIONS

- 4.1 Every notice convening a general meeting shall comply with the provisions of section 325(1) of the 2006 Act as to giving information to Members in regard to their right to appoint proxies.
- 4.2 An Annual General Meeting of the Company shall be held in each calendar year at such time and place as the Directors shall appoint. In default of an Annual General Meeting being so held an Annual General Meeting may be convened by any two Members who hold share(s) in the same manner as nearly as possible as that in which Annual General Meetings are to be convened by the Directors.
 - 4.2.1 No business shall be transacted at any general meeting unless a quorum is present. Subject to article 4.2.2 below, the quorum shall be two Members present in person or by proxy or by a duly authorised representative of a corporation who hold shares representing not less than one tenth of the shares for the time being issued.
 - 4.2.2 If and for so long as the Company has only one Member who holds share(s), that Member present in person or by proxy or (if that Member is a corporation) by a duly authorised representative shall be a quorum.
 - 4.2.3 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine; and if at the adjourned

general meeting a quorum is not present within half an hour from the time appointed therefore such adjourned general meeting shall be dissolved.

- 4.2.4 Regulations 40 and 41 in Table A shall not apply to the Company.
- 4.3.1 If and for so long as the Company has only one Member who holds share(s) and that Member takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in general meeting, subject as provided in Article 4.3.3 below.
- 4.3.2 Any decision taken by a sole Member pursuant to Article 4.3.1 above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's minute book.
- 4.3.3 Resolutions under section 168 of the 2006 Act for the removal of a Director before the expiration of his period of office and under section 510 of the 2006 Act for the removal of an auditor before the expiration of his period of office shall only be considered by the Company in general meeting.
- 4.4 A Member present at a meeting by proxy shall be entitled to speak at the meeting and shall be entitled to one vote on a show of hands. In any case where the same person is appointed proxy for more than one Member he shall on a show of hands have as many votes as the number of Members for whom he is proxy. A Member present at a meeting by more than one proxy shall be entitled to speak at the meeting through each of the proxies but the proxies together shall be entitled to only one vote on a show of hands. In the event that the proxies do not reach agreement as to how their vote should be exercised on a show of hands, the voting power is treated as not exercised. Regulation 54 in Table A shall be modified accordingly.
- 4.5 A poll may be demanded by any Member holding share(s) present in person or by proxy or (if that Member is a corporation) by a duly authorised representative. Regulation 46 of Table A shall be amended accordingly.
- 4.6 Unless resolved by ordinary resolution that regulation 62 in Table A shall apply without modification, the appointment of a proxy and any authority under which the proxy is appointed or a copy of such authority certified notarially or in some other way approved by the Directors may be deposited or received at the place specified in regulation 62 in Table A up to the commencement of the meeting or (in any case where a poll is taken otherwise than at the meeting) of the taking of the poll or may be handed to the chairman of the meeting prior to the commencement of the business of the meeting.
- 4.7 No person (other than a solicitor or a chartered or incorporated accountant) shall be appointed a proxy who is not a Member of the Company and qualified to vote.
- 5. APPOINTMENT OF DIRECTORS
 - 5.1.1 Regulation 64 in Table A shall not apply to the Company.
 - 5.1.2 The maximum number and minimum number respectively of the Directors may be determined from time to time by ordinary resolution. Subject to and in

default of any such determination the number of Directors (other than alternate Directors) shall not be less than two.

- 5.1.3 The qualification of every Director shall be the holding in his own right as sole holder of shares to the nominal value of not less than £10. A Director may act before acquiring his qualification, but shall acquire his qualification within twelve calendar months of being appointed a Director. This Article shall not apply if the Company becomes a subsidiary of another company. For the purposes of this Article “subsidiary” shall be as defined in Section 1159 of the 2006 Act (save that a company shall also be treated, for the purposes of the membership requirement contained in Sections 1159(1)(b) and (c), as a member of the Company even if the shares in the Company are registered in the name of another person as its nominee).
- 5.1.4 A memorandum in writing signed by all the Directors for the time being shall be as effective for all purposes as a resolution of the Directors passed at a meeting duly convened, held and constituted and once signed shall be annexed or attached to the Directors’ minute book.
- 5.2 Regulations 76 to 79 (inclusive) in Table A shall not apply to the Company.
- 5.3 No person shall be appointed a Director at any general meeting unless either:-
- (a) he is recommended by the Directors; or
 - (b) not less than 14 nor more than 35 clear days before the date appointed for the general meeting, notice signed by a Member qualified to vote at the general meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed.
- 5.4.1 Subject to Article 5.3 above, the Company may by ordinary resolution appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.
- 5.4.2 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 number determined in accordance with Article 5.1.2 above as the maximum number of Directors and for the time being in force.
- 5.5 In any case where as the result of death or deaths the Company has no Members who hold share(s) and no Directors the personal representatives of the last Member who held share(s) to have died shall have the right by notice in writing to appoint a person to be a Director of the Company and such appointment shall be as effective as if made by the Company in general meeting pursuant to Article 5.4.1 above. For the purpose of this article, where two or more Members die in circumstances rendering it uncertain which of them survived the other or others, the Members shall be deemed to have died in order of seniority, and accordingly the younger shall be deemed to have survived the elder.

5A. DISQUALIFICATION OF DIRECTORS

The office of a Director shall be vacated:-

- (a) If he becomes bankrupt or insolvent or compounds with his creditors;
- (b) If he becomes of unsound mind;
- (c) If he is convicted of an indictable offence, not being an offence under the Road Traffic Acts, or any statutory provision in lieu or modification thereof;
- (d) If he ceases to hold any necessary share qualification, or does not obtain the same within twelve calendar months from the date of his appointment;
- (e) If he absents himself from the meetings of Directors for a period of six calendar months without special leave of absence from the other Directors;
- (f) If he becomes prohibited from being a Director by virtue any provision of the Act or he becomes otherwise prohibited by law from being a Director;
- (g) If he gives the Company one calendar month's notice in writing that he resigns his office.

But any act done in good faith by a Director whose office is vacated as aforesaid shall be valid unless, prior to the doing of such act, written notice shall have been served upon the Company or an entry shall have been made in the Directors' minute book stating that such Director has ceased to be a Director of the Company.

5B. ASSOCIATE DIRECTORS

The Directors may at any time and from time to time appoint any manager or employee or consultant of the Company to advise and assist the Directors. Any person so appointed (hereinafter called "an Associate Director") shall not be a Member of the board and shall not require any qualification and shall not be entitled to attend and vote at meetings of Directors. Subject as aforesaid the Directors may define and limit the powers and duties of Associate Directors and may determine their remuneration, which may be in addition to their remuneration as managers, employees or consultants of the Company and may be by way of commission or percentage or otherwise.

5C. MANAGING DIRECTOR

The Directors may from time to time entrust to and confer upon the Managing Director or Manager all or any of the powers of the Directors (excepting the power to make calls, forfeit shares, borrow money, or issue debentures) that they may think fit. But the exercise of all such powers by the Managing Director or Manager shall be subject to such regulations and restrictions as the Directors may from time to time make and impose, and the said powers may at any time be withdrawn, revoked, or varied.

6. BORROWING POWERS

- 6.1 The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

7. ALTERNATE DIRECTORS

- 7.1 Unless otherwise determined by the Company by ordinary resolution an alternate Director shall not be entitled as such 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 in writing to the Company from time to time direct, and the first sentence of regulation 66 in Table A shall be modified accordingly.
- 7.2 A Director, or any such other person as is mentioned in regulation 65 in Table A, may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

8. GRATUITIES AND PENSIONS

- 8.1.1 The Directors may exercise the powers of the Company conferred by its Memorandum of Association in relation to the payment of pensions, gratuities and other benefits and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.
- 8.1.2 Regulation 87 in Table A shall not apply to the Company.

9. PROCEEDINGS OF DIRECTORS

- 9.1.1 A Director may vote, at any meeting of the Directors or of any committee of the Directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.
- 9.1.2 Each Director shall comply with his obligations to disclose his interest in contracts under sections 177 and 182 of the 2006 Act.
- 9.1.3 Regulations 94 to 97 (inclusive) in Table A shall not apply to the Company.

10. COMMUNICATION BY MEANS OF A WEBSITE

- 10.1 Subject to the provisions of the 2006 Act, a document or information may be sent or supplied by the Company to a person by being made available on a website.

11. THE SEAL

- 11.1 If the Company has a seal it shall only be used with the authority of the Directors or of a committee of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by two Directors, a Director and the secretary or, if there is only one Director and no secretary in office, by the sole Director. The obligation under regulation 6 in Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Regulation 101 in Table A shall not apply to the Company.
- 11.2 The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

12. PROTECTION FROM LIABILITY

- 12.1 For the purposes of this article a "Liability" is any liability incurred by a person in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or otherwise in connection with his duties, powers or office and "Associated Company" shall bear the meaning referred to in section 256 of the 2006 Act. Subject to the provisions of the 2006 Act and without prejudice to any protection from liability which may otherwise apply:
- (a) the Directors shall have power to purchase and maintain for any Director of the Company, any Director of an Associated Company, any auditor of the Company and any officer of the Company (not being a Director or auditor of the Company), insurance against any Liability; and
 - (b) every Director or auditor of the Company and every officer of the Company (not being a Director or auditor of the Company) shall be indemnified out of the assets of the Company against any loss or liability incurred by him in defending any proceedings in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from any Liability.

- 12.2 Regulation 118 in Table A shall not apply to the Company.

13. TRANSFER OF SHARES

General

- 13.1 For the purposes of this Article:
- 13.1.1 "Privileged Relation" means Robert Wakeford, Peter Wakeford and the children, grandchildren, great grandchildren and other lineal

descendants (including adopted children, grandchildren and great grandchildren and other adopted lineal descendants) of Peter Wakeford or Robert Wakeford and any wife or husband of such person;

13.1.2 "Family Trust" means a trust which does not permit any of the settled property or the income from such trust to be applied otherwise than for the benefit of a Privileged Relation and no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by or subject to the consent of any person other than the trustees or a Privileged Relation;

13.1.3 **"Subsidiary"** shall be defined by reference to Section 1159 of the 2006 Act

13.2 The Directors:

13.2.1 shall refuse to register the transfer of any share unless such transfer is permitted by, or is made pursuant to and in accordance with, the provisions of these Articles;

13.2.2 may, in their absolute discretion and without assigning any reason, decline to register any transfer of any share which would otherwise be permitted under these Articles:

- (a) if it is a transfer of a share on which the Company has a lien or of a share (not being a fully paid share) to a person of whom they shall not approve and the first sentence of Regulation 24 of Table A shall not apply; or
- (b) if the Directors have required the transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information and evidence as the Directors may think necessary or relevant for the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these Articles and such information or evidence is not furnished to the satisfaction of the Directors within a period of 28 days after such request;

13.2.3 shall (save as provided in Article 13.2.2) not be entitled to decline to register the transfer of any share which is permitted by, or is made pursuant to and in accordance with, these Articles.

Permitted Transfers

13.3 Any Member being an individual (other than a trustee of a Family Trust) may at any time transfer (including, for the avoidance of doubt, by way of sale) all or any shares held by the Member to a Privileged Relation or to trustees to be held upon a Family Trust.

13.4 Any Member being a trustee of a Family Trust may on any change of trustees transfer the shares held by the Member to the new trustees of that Family Trust and may at any time transfer (including, for the avoidance of doubt, by way of sale) all or any of the shares held by the Member to a Privileged Relation.

- 13.5 Where under the provisions of a deceased Member's will or the laws as to intestacy the person beneficially entitled to any such shares, whether immediately or contingently, is a Privileged Relation the legal personal representatives may transfer any share to a Privileged Relation or to a trustee or trustees to be held on a Family Trust.
- 13.6 Any Member may at any time transfer all or any shares held by the Member to the Company or the trustees of any employee share ownership plan existing for the benefit of any or all employees of the Company or any subsidiary of the Company.

Pre-Emption Provisions

- 13.7 The right to transfer shares or any interest in shares in the Company (including for this purpose the assignment of the beneficial interest in, or the creation of any charge or other security interest over, such shares or the renunciation or assignment of any right to receive or subscribe for such shares) shall be subject to the restrictions set out below.
- 13.8 If a Member ("Transferring Member") wishes to transfer any shares in the Company, the Transferring Member shall give a notice in writing (a "Transfer Notice") to the Company stating the number and class of shares he wishes to sell (the "Sale Shares"), that he is prepared to sell the Sale Shares at the Sale Price (as determined in accordance with Article 13.9 below) and (if applicable) the name of the person whom it is proposed that the Sale Shares be transferred and the price per share offered by such person. A Transfer Notice may also contain a provision that unless all the Sale Shares are sold by the Company pursuant to this Article none shall be so sold (a "Total Sale Condition") and any such provision shall be binding on the Company. The Transfer Notice shall constitute the Company the agent of the Transferring Member for the sale of the Sale Shares in accordance with these Articles. A Transfer Notice shall not be revocable except with the consent of the Directors.
- 13.9 The Sale Price of the Sale Shares shall be such amount as may be agreed by Members holding 75% or more of the shares.
- 13.10 Upon the Sale Price being determined in accordance with the above provisions the Company shall offer at the Sale Price the Sale Shares to the following persons in the following order:-
- 13.10.1 firstly, subject to the provisions of Chapter VII of Part V of the Act to the Company;
 - 13.10.2 secondly, to the trustees of any employee share option plan existing or to be set up for the benefit of employees of the Company or any subsidiary of the Company ("EBT");
 - 13.10.3 thirdly, to all the Members (other than the Transferring Member or any other Member who has at such date served or is deemed to have served a Transfer Notice in respect of his shares) holding shares on the terms that in the case of competition the Sale Shares so offered shall be sold to the Members holding shares accepting the offer in proportion (as nearly as may be) to their existing holding of such shares.

Such offer shall be made in such form as the Directors may decide but shall be in writing and shall specify number and class of the Sale Shares, the Sale Price, whether or not the Transfer Notice contained a Total Sale Condition and a period between 21 and 28 days within which the relevant offer must be accepted or shall lapse PROVIDED THAT if, within such period, an EBT and/or the Company gives notice that it wishes to accept the offer but needs to raise the necessary finance to pay all or part of the Sale Price it shall have until the date two months from the date it receives the offer from the Company to raise the necessary finance to pay all or part of the Sale Price and accept the offer.

- 13.11 If the Company shall, in accordance with Article 13.10 identify purchasers ("Purchasers") in respect of all or (except where the Transfer Notice contains a Total Sale Condition) any of the Sale Shares it shall give written notice of this to the Transferring Member and the Purchasers and the Transferring Member and Purchasers shall be bound to complete the sale and purchase. Completion of the sale and purchase will take place within 14 days of the date of such written notice at such date, time and place as the Directors may determine. On Completion the Transferring Member shall deliver to the Purchasers a duly executed stock transfer form in respect of the Sale Shares being transferred to the Purchasers, the relevant share certificates and such other documents as the Purchaser may reasonably require and the Purchasers shall pay the Transferring Member the Sale Price.
- 13.12 In the event of the Transferring Member failing to carry out the sale of any of the Sale Shares in accordance with Article 13.11 above the Directors may authorise any Director to execute a transfer of the Sale Shares to the Purchasers on behalf of the Transferring Member and to execute such other documents and to do such other things on his behalf to enable the Purchasers to purchase such Sale Shares in accordance with this Article and the Company may give a good receipt for the purchase price of such Sale Shares and may register the Purchasers as holders and issue to them certificates for the same whereupon the Purchasers shall become indefeasibly entitled to such Sale Shares. The purchase price shall be held by the Company on trust for the Transferring Member but without interest until it complies with its obligations under Article 13.11. Without prejudice to the above, if the Company elects to purchase any or all of the Sale Shares in accordance with Article 13.10 the Transferring Member and the other Members shall take all reasonable steps within their power to carry such purchase into effect and if the Transferring Member or any other Member fails to comply with this obligation the Directors may authorise some person to execute such documents or to do such things on his behalf to enable the Company to purchase such Sale Shares in accordance with this Article.
- 13.13 If the Company shall not find Purchasers for all of the Sale Shares in accordance with Article 13.10, the Transferring Member shall be at liberty at any time within 30 days to transfer:
- 13.13.1 (where the Transfer Notice did not contain a Total Sale Condition) such of the Sale Shares for which the Company did not find Purchasers; or
- 13.13.2 (where the Transfer Notice contained a Total Sale Condition), all but not some of the Sale Shares

to any person provided that:

- (a) the purchase price is no less than the Sale Price and the terms of payment are no more favourable than those set out in Article 13.11; and
- (b) the Directors are of the opinion the transferee is a desirable person to admit to membership.

Compulsory Transfers

13.14 If a Member or other person entitled to transfer a share at any time attempts to deal with or dispose of the share or any interest in the share (including for this purpose the assignment of the beneficial interest in, or the creation of any charge or other security interest over, such shares or the renunciation or assignment of any right to receive or subscribe for such shares) otherwise than in accordance with the provisions of the Articles he shall be deemed immediately prior to such attempt to have given a Transfer Notice in respect of such share.

13.15 Save where the proposed transfer or transmission is within Article 13.3, 13.4, 13.5 or 13.6 above (a "Permitted Transfer") any person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall give a Transfer Notice before he elects to be registered himself or to execute a transfer in respect of such share (and Regulations 29 to 31 of Table A shall be modified accordingly). If a person so becoming entitled shall not have executed a Permitted Transfer or given a Transfer Notice in respect of such shares within three months of the date of death or bankruptcy, the Directors may at any time thereafter give notice requiring such person within 30 days to execute a Permitted Transfer or give a Transfer Notice in respect of such shares and if he does not do so he shall at the end of such 30 days be deemed to have given a Transfer Notice in respect of those shares.

13.16 If and whenever any shares held upon a Family Trust cease to be so held (otherwise than in consequence of a transfer to a Privileged Relation) the trustees shall forthwith give a Transfer Notice in respect of such shares and, in the event the trustees fail to do so within 28 days of the shares ceasing to be held upon a Family Trust, a Transfer Notice shall be deemed immediately to be given in respect of such shares.

13.17 If and whenever any Member who is a Privileged Relation ceases to be a Privileged Relation that Member shall forthwith give a Transfer Notice in respect of all the shares in the Company held by such Member and, in the event the Member fails to do so within 28 days of ceasing to be a Privileged Relation, a Transfer Notice shall be deemed immediately to be given in respect of such shares.

13.18 Notwithstanding any provision of these Articles where a Transfer Notice is given or deemed given under Article 13.14, 13.15, 13.16 or 13.17:-

13.18.1 the Transfer Notice shall be irrevocable;

13.18.2 there shall be no right to impose a Total Sale Condition in respect of the Transfer Notice and any deemed Transfer Notice shall not contain any Total Sale Condition.

13.19 Where a Transfer Notice in respect of any share is deemed to have been given under any provision of Article 13.14, 13.15, 13.16 or 13.17 and the circumstances are such that the Directors are unaware of the facts giving rise to the same such Transfer Notice shall be deemed to have been received by the Directors on the date on which the Directors receive actual notice of such facts and the provisions of these Articles shall apply accordingly.

Miscellaneous

13.20 Notwithstanding any other provision of these Articles:

- 13.20.1 an obligation to transfer a share under the provisions of this Article 13 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share with full title guarantee free from any lien, charge or other encumbrance;
- 13.20.2 the provisions of this Article 13 may be waived in whole or in part in any particular case with the prior written consent of Members holding 75% or more of the issued shares;
- 13.20.3 no share shall be transferred to any infant, bankrupt or person of unsound mind.