

Company Number. 06907560

WRITTEN RESOLUTION

LIGHTHOUSE TESTING LIMITED

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the following resolution was passed as a special resolution by the shareholders of the Company on 19 December 2009.

SPECIAL RESOLUTION

That the Company adopt new articles of association in the form attached to this resolution in replacement of its existing articles of association.

.....
Director

Date

MICHAEL JOYCE.

SATURDAY



AXF42K0C

A20

15/05/2010

268

COMPANIES HOUSE

Registered no.: 06907560

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
LIGHTHOUSE TESTING LIMITED
(Adopted on 1st December 2009)

ARTICLES OF ASSOCIATION

1. Interpretation

1 1 In these Articles, unless the context otherwise requires

Act. means the Companies Act 2006

appointor has the meaning given in article 11 1

Articles means the Company's articles of association for the time being in force

Bad Leaver means a Leaver.

(a) who resigns from his employment within two years from the date of the commencement of his employment with the Company, other than in circumstances where such resignation is due to the death, critical illness, permanent disability or permanent incapacity of the Leaver, or

(b) whose employment is legitimately terminated for gross misconduct justifying summary dismissal under the Leaver's contract of employment

business day means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business

Conflict has the meaning given in article 6 1

eligible director means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter)

Employee means a person who is an employee and/or a director of the Company or any subsidiary of the Company

Fair Price means the price determined under article 18 5

Family Member a shareholder's spouse, civil partner, widow or widower, child or grandchild (including step and adopted children) and the step and adopted children of the shareholder's children

Family Trust means a trust which only permits the settled property or the income from that property to be applied for the benefit of the settlor and/or a Family Member

Good Leaver means a Leaver who is neither a Bad Leaver nor an Intermediate Leaver

Intermediate Leaver means a Leaver who resigns from his employment with the Company after two years from the date of commencement of his employment but before the expiry of three years, other than in circumstances where such resignation is due to the death, critical illness, permanent disability or permanent incapacity of the Leaver

InterQuest Consent: the prior written approval of a director of InterQuest Group plc

InterQuest Director: means a director of the Company appointed by InterQuest Group plc

- Leaver** means (a) a person who ceases to be an Employee;
- (b) any shareholder who is a permitted transferee (under article 16) of any person who ceases to be an Employee, or
- (c) a person who holds shares as nominee for any person who ceases to be an Employee

Model Articles means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229), a copy of which is annexed to these Articles

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles
- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- 1 5 1 any subordinate legislation from time to time made under it, and
- 1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles
- 1 7 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company
- 1 8 article 7 of the Model Articles shall be amended by
- 1 8 1 the insertion of the words "for the time being" at the end of article 7(2)(a), and
- 1 8 2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1 9 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 1 10 article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But"
- 1 11 article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"

- 1.12 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"

Directors

2. Calling a directors' meeting

Any director may call a directors' meeting by giving not less than seven business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the Company secretary (if any) to give such notice

3. Quorum for directors' meetings

- 3 1 Subject to article 3 2, the quorum for the transaction of business at a meeting of directors is any two eligible directors, including one InterQuest Director
- 3 2 For the purposes of any meeting (or part of a meeting) held pursuant to article 6 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director
- 3 3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision
- 3 3 1 to appoint further directors, or
- 3 3 2 to call a general meeting so as to enable the shareholders to appoint further directors

4. Casting vote

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman of the meeting shall have a casting vote

5. Transactions or other arrangements with the Company

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

- 5 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
- 5 2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,
- 5 3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,
- 5 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,

5 5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and

5 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

6. Directors' conflicts of interest

6 1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest

6 2 Any authorisation under this article will be effective only if

6 2 1 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,

6 2 2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question, and

6 2 3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted

6 3 Any authorisation of a conflict of interest under this article may (whether at the time of giving the authorisation or subsequently)

6 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,

6 3 2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine, and

6 3 3 be terminated or varied by the directors at any time

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation

6 4 In authorising a conflict of interest, the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in such conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to

6 4 1 disclose such information to the directors or to any director or other officer or employee of the Company, or

6 4 2 use or apply any such information in performing his duties as a director,

where to do so would amount to a breach of that confidence

6 5 Where the directors authorise a conflict of interest they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director

6 5 1 is excluded from discussions (whether at meetings of directors or otherwise) related to such conflict,

6 5 2 is not given any documents or other information relating to such conflict, and

6 5 3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to such conflict

6 6 Where the directors authorise a conflict of interest

6 6 1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to such conflict, and

6 6 2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation

6 7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

7. Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

8. Number of directors

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not exceed five

9. Appointment of directors

In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director

10. Appointment and removal of alternate directors

10 1 Any director (the "appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

10 1 1 exercise that director's powers, and

10 1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor

10 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

10 3 The notice must

10 3 1 identify the proposed alternate, and

10 3 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

11. Rights and responsibilities of alternate directors

11 1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor

11 2 Except as the Articles specify otherwise, alternate directors

11 2 1 are deemed for all purposes to be directors,

11 2 2 are liable for their own acts and omissions,

11 2 3 are subject to the same restrictions as their appointors, and

11 2 4 are not deemed to be agents of or for their appointors

and, in particular (without limitation), each 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

11 3 A person who is an alternate director but not a director

11 3 1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),

11 3 2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and

11 3 3 shall not be counted as more than one director for the purposes of articles 12 3(a) and (b)

11 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision

11 5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company

12. Termination of alternate directorship

An alternate director's appointment as an alternate terminates

- 12 1 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- 12 1 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- 12 1 3 on the death of the alternate's appointor, or
- 12 1 4 when the alternate's appointor's appointment as a director terminates

Shares

13. Further issues of shares: authority

- 13 1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company
- 13 2 Subject to the remaining provisions of this article and to article 14, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Act and generally, to exercise any power of the Company to
 - 13 2 1 offer or allot,
 - 13 2 2 grant rights to subscribe for or to convert any security into,
 - 13 2 3 otherwise deal in, or dispose of,any shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper
- 13 3 The authority referred to in article 13.2
 - 13 3 1 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution, and
 - 13 3 2 may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may before the expiry of such five year period make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired)

14. Further issues of shares: pre-emption rights

- 14 1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company
- 14 2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities (other than any equity securities to be held under an employees' share scheme), those equity securities shall not be allotted to any person unless the Company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those shareholders (as nearly as possible without involving fractions) The offer

- 14 2 1 shall be in writing, shall be open for acceptance for a period of 15 business days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities, and
- 14 2 2 may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities ("excess securities") for which he wishes to subscribe
- 14 3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with article 14 2 shall be used for satisfying any requests for excess securities made pursuant to article 14 2 2. If there are insufficient excess securities to satisfy such requests, the excess securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with article 14 2 (as nearly as possible without involving fractions or increasing the number of excess securities allotted to any shareholder beyond that applied for by him). After that allotment, any excess securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.
- 14 4 Subject to articles 14 2 and 14 3 and to section 551 of the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper

Share Transfers

15. Prohibited transfers

Any person who holds, or becomes entitled to, any share shall not without InterQuest Consent transfer such shares, except in accordance with articles 16, 17, 18, 19 or 20

16. Permitted transfers

Transfers of shares to the following transferees may be made without following the pre-emption procedure in article 17

- 16 1 any shareholder may at any time transfer any share to a Family Member or to the trustees of a Family Trust,
- 16 2 any shareholder who is a trustee of a Family Trust may at any time transfer any share to
- 16 2 1 the new or remaining trustees of the Family Trust upon any change of trustees, or
- 16 2 2 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 16 1 on their becoming entitled to the same under the terms of the Family Trust
- 16 3 InterQuest Group plc may at any time transfer any share to any of its subsidiaries
- #### **17. Pre-emption**
- 17 1 Except in the case of a transfer pursuant to articles 16, 18, 19 or 20, a shareholder who wishes to transfer any shares (a "Seller") shall give notice in writing to the Company (a "Transfer Notice") Each Transfer Notice shall

- 17 1 1 specify the number and class of shares which the Seller wishes to transfer ("Sale Shares"),
 - 17 1 2 specify the identity of any person to whom the Seller wishes to transfer the Sale Shares (the "Proposed Transferee"),
 - 17 1 3 specify the price per Share (the "Sale Price") at which the Seller wishes to transfer the Sale Shares,
 - 17 1 4 be deemed to constitute the Company as the Seller's agent for the sale of the Sale Shares at the Sale Price, and
 - 17 1 5 not be varied or cancelled
- 17 2 The Seller may provide in the Transfer Notice that, unless buyers are found for all or not less than a specified number of the Sale Shares, he shall not be bound to transfer any of such Shares ("Minimum Transfer Condition") and any such provision shall be binding on the Company Notwithstanding the other provisions of this article, if the Transfer Notice contains a Minimum Transfer Condition the Company may not make any allocation of Sale Shares unless and until it has found buyers for the minimum number specified in the Minimum Transfer Condition
- 17 3 The directors shall, on or before the tenth business day following receipt of the Transfer Notice, give notice in writing to each of the shareholders (other than the Seller) offering for sale the Sale Shares at the Sale Price The notice shall specify that the Shareholders shall have a period of 20 business days from the date of such notice within which to apply for some or all of the Sale Shares
- 17 4 It shall be a further term of the offer that, if there is competition for the Sale Shares, such Sale Shares shall be treated as offered in proportion (as nearly as may be) to the shareholders' existing holdings of shares ("Proportionate Allocation") In his application for Sale Shares, a shareholder may, if he so desires, indicate that he would be willing to purchase a particular number of shares in excess of his Proportionate Allocation ("Extra Shares")
- 17 5 if the total number of Sale Shares applied for is equal to or less than the total number of Sale Shares, each shareholder shall be allocated the number applied for in accordance with his application
- 17 6 If the total number of Sale Shares applied for is greater than the available number of Sale Shares, each shareholder shall be allocated his Proportionate Allocation or such lesser number of Sale Shares for which he has applied and applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of shares held by such shareholders
- 17 7 Allocations of Sale Shares made by the Company pursuant to this article shall constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them, provided that no person shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase
- 17 8 The Company shall forthwith upon allocating any Sale Shares give notice in writing ("Sale Notice") to the Seller and to each person to whom Sale Shares have been so allocated of the number of Sale Shares so allocated and the aggregate purchase price payable Completion of the sale and purchase of those Sale Shares in accordance with the Sale Notice shall take place within five business days of the date of the Sale Notice following which period the seller shall, upon payment

of the purchase price, transfer those Sale Shares specified in the Sale Notice to the persons to whom they have been allocated and deliver the relevant share certificates (or a suitable indemnity in lieu thereof)

- 17 9 If the Seller defaults in transferring any Sale Shares pursuant to article 17 8, the Company may receive such purchase money and may nominate a director to execute a stock transfer form in respect of the Sale Shares in the name and on behalf of the Seller and, when such transfer has been duly stamped, the Company shall cause the name of the proposed transferee to be entered in the register of members as the holder of such Sale Shares and shall hold the purchase money on trust (without interest) for the Seller. The receipt of the Company for the purchase money shall be a good discharge to the proposed transferee
- 17 10 If all the Sale Shares are not sold under the pre-emption provisions contained in articles 17 1 to 17 9 (inclusive), the Company shall so notify the Seller and the Seller may at any time, within 30 days after receiving such notification, transfer to the Proposed Transferee any unsold Sale Shares at any price not less than the Sale Price

18. Leavers

- 18 1 The provisions of this article shall apply to the shares held by any Leaver
- 18 2 A Leaver shall, unless the directors resolve otherwise, be deemed to have served a Transfer Notice on the date on which he ceased to be employed by the Company or any subsidiary of the Company or, if later, the date on which he ceased to be a director of the Company or any subsidiary of the Company, in respect of all the shares held by the Leaver and by any Family Member of the Leaver or trustees of a Family Trust to whom the Leaver has transferred shares (together, the "Leaver Shares")
- 18 3 The provisions of article 17 shall apply to any such deemed Transfer Notice, provided that for these purposes:
- 18.3 1 no Proposed Transferee shall be specified in the deemed Transfer Notice,
- 18 3 2 the Sale Price shall be determined by article 18 4, and
- 18 3 3 there shall be no Minimum Transfer Condition
- 18.4 The Sale Price shall be
- 18 4 1 in the case of a Good Leaver, the Fair Price,
- 18 4 2 in the case of a Bad Leaver, the nominal price per share or the Fair Price, whichever is lower, and
- 18 4 3 in the case of an Intermediate Leaver, a price equal to 50% of the Fair Price or the nominal price, whichever is higher
- 18 5 The Fair Price shall be determined as follows
- 18 5 1 if the transferor and the board are not able to agree an amount representing the Fair Price within 10 business days the Company shall instruct its auditors to determine the Fair Price on the basis which, in their opinion, represents a fair price for the Leaver Shares as between a willing seller and a willing buyer and, in making such determination, the auditors shall take account of whether the Leaver Shares comprise a

majority or minority interest in the Company and the fact that their transferability is restricted by these articles,

- 18 5 2 the auditors shall certify the Fair Price as soon as possible after being instructed by the Company and, in so certifying, the auditors shall be deemed to be acting as experts and not as arbitrators and the Arbitration Act 1996 shall not apply,
- 18 5 3 the certificate of the auditors shall, in the absence of manifest error, be final and binding, and
- 18 5 4 the auditors' fees shall be borne by the Company unless (i) such an arrangement would not be permitted by the Act or (ii) the Fair Price as determined by the auditors is the same as, or within 10% of, that price (if any) which the Company had previously notified to the Leaver as being in its opinion the Fair Price, in which event the cost shall be apportioned equally between the Company and by the Leaver

Drag along and Tag along

19. Drag along

- 19 1 In this article, a Qualifying Offer means an offer in writing by or on behalf of any person ("Offeror") to the holders of the entire equity share capital in the Company to acquire all their equity share capital
- 19 2 If the holders of not less than 60% in nominal value of the equity share capital then in issue (the "Accepting Shareholders") wish to accept the Qualifying Offer, then the provisions of this article shall apply
- 19 3 The Accepting Shareholders shall give written notice to the remaining holders of the equity share capital (the "Non-accepting Shareholders") of their wish to accept the Qualifying Offer and the Non-accepting Shareholders shall on receipt of such notice become bound to accept the Qualifying Offer and to transfer their shares to the Offeror (or his nominee) with full title guarantee and free from all encumbrances on the date specified by the Accepting Shareholders
- 19 4 If any Non-accepting 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 Non-accepting Shareholder's behalf and, against receipt by the Company (on trust for such shareholder) of the purchase price payable for the relevant shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror and register the Offeror as the holder of his shares and, after such registration, the validity of such proceedings shall not be questioned by any person
- 19 5 When any person, following the issue of a notice pursuant to article 19 3, becomes a shareholder 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 then 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 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

20. Tag along

- 20 1 If at any time one or more Shareholders (the "Proposed Sellers") propose to sell, in one or a series of related transactions, not less than 30% of the equity share capital of the Company to any person (not being an Offeror for the purposes of article 19 1) other than pursuant to article 16, (the "Proposed Transferee") the Proposed Sellers may only sell their shares if they comply with the provisions of this article
- 20 2 The Proposed Sellers shall give written notice to the Company and to InterQuest Group plc of the proposal to sell such shares ("Proposed Sale Notice") No such transfer shall take place without InterQuest Consent
- 20 3 If InterQuest Consent is granted under article 20.2, the transfer of shares by the Proposed Sellers shall only take place if all other holders of equity share capital in the Company must be entitled to sell all of their shares to the Proposed Transferee at the same price and on the same terms and conditions as those set out in the Proposed Sale Notice
- 20 4 If the other holders of equity share capital in the Company are not given the opportunity to sell their shares under 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

Decision making by shareholders

21. Poll votes

- 21 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 21 2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article

22. Proxies

- 22 1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"
- 22 2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article

Administrative arrangements

23. Means of communication to be used

- 23 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

- 23 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
- 23 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 23 1 3 if properly addressed and sent or supplied by e-mail, one hour after the document or information was sent or supplied, and
- 23 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this article, no account shall be taken of any part of a day that is not a business day

- 23 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for that purpose by the Act

24. Indemnity

- 24 1 Subject to article 25 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled
 - 24 1 1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment 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, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs, and
 - 24 1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 24 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure
- 24 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law
- 24 3 In this article
 - 24 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

- 24 3 2 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

25. Insurance

- 25 1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss
- 25 2 In this article
- 25 2 1 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)
- 25 2 2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and
- 25 2 3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

APPENDIX

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

INDEX TO THE ARTICLES

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

- 1 *Defined terms*
- 2 *Liability of members*

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

- 3 *Director's general authority*
- 4 *Shareholders' reserve power*
- 5. *Directors may delegate*
- 6. *Committees*

DECISION-MAKING BY DIRECTORS

- 7 *Directors to take decisions collectively*
- 8 *Unanimous decisions*
- 9 *Calling a directors' meeting*
- 10 *Participation in directors' meetings*
- 11 *Quorum for directors' meetings*
- 12 *Chairing of directors' meetings*
- 13 *Casting vote*
- 14 *Conflicts of interest*
- 15 *Records of decisions to be kept*
- 16 *Directors' discretion to make further rules*

APPOINTMENT OF DIRECTORS

- 17 *Methods of appointing directors*
- 18 *Termination of director's appointment*
- 19 *Directors' remuneration*
- 20 *Directors' expenses*

PART 3

SHARES AND DISTRIBUTIONS

SHARES

- 21 *All shares to be fully paid up*
- 22 *Powers to issue different classes of share*
- 23. *Company not bound by less than absolute interests*
- 24 *Share certificates*
- 25 *Replacement share certificates*
- 26 *Share transfers*

- 27 *Transmission of shares*
- 28 *Exercise of transmitters' rights*
- 29 *Transmitters bound by prior notices*

DIVIDENDS AND OTHER DISTRIBUTIONS

- 30 *Procedure for declaring dividends*
- 31 *Payment of dividends and other distributions*
- 32 *No interest on distributions*
- 33 *Unclaimed distributions*
- 34 *Non-cash distributions*
- 35 *Waiver of distributions*

CAPITALISATION OF PROFITS

- 36 *Authority to capitalise and appropriation of capitalised sums*

PART 4

DECISION-MAKING BY SHAREHOLDERS ORGANISATION OF GENERAL MEETINGS

- 37 *Attendance and speaking at general meetings*
- 38 *Quorum for general meetings*
- 39 *Chairing general meetings*
- 40 *Attendance and speaking by directors and non-shareholders*
- 41 *Adjournment*

VOTING AT GENERAL MEETINGS

- 42 *Voting general*
- 43 *Errors and disputes*
- 44 *Poll votes*
- 45 *Content of proxy notices*
- 46 *Delivery of proxy notices*
- 47 *Amendments to resolutions*

PART 5

ADMINISTRATIVE ARRANGEMENTS

- 48 *Means of communication to be used*
- 49 *Company seals*
- 50 *No right to inspect accounts and other records*
- 51 *Provision for employees on cessation of business*

DIRECTORS' INDEMNITY AND INSURANCE

- 52 *Indemnity*
- 53 *Insurance*

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. The Definitions

1 1 *In the articles, unless the context requires otherwise –*

"articles" means the company's articles of association,

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,

"chairman" has the meaning given in article 12,

"chairman of the meeting" has the meaning given in article 39,

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

"director" means a director of the company, and includes any person occupying the position of director, by whatever name called,

"distribution recipient" has the meaning given in article 31,

"document" includes, unless otherwise specified, any document sent or supplied in electronic form,

"electronic form" has the meaning given in section 1168 of the Companies Act 2006,

"fully paid" in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company,

"hard copy form" has the meaning given in section 1168 of the Companies Act 2006,

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

"instrument" means a document in hard copy form,

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006,

"paid" means paid or credited as paid,

"participate", in relation to a directors' meeting, has the meaning given in article 10,

"proxy notice" has the meaning given in article 45,

"shareholder" means a person who is the holder of a share,

"shares" means shares in the company,

"special resolution" has the meaning given in section 283 of the Companies Act 2006,

"subsidiary" has the meaning given in section 1159 of the Companies Act 2006,

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law, and

"writing" means a representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

- 1 2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the Company

2. Liability of members

The liability of the members is limited to the amount, if any, unpaid on the shares held by them

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

3. Director's general authority

Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company

4. Shareholders' reserve power

- 4 1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action
- 4 2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

5. Directors may delegate

- 5 1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles –
- (a) to such person or committee,
 - (b) by such means (including by power of attorney),
 - (c) to such an extent,

(d) *in relation to such matters or territories, and*

(e) *on such terms and conditions,*

as they think fit

5 2 *If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated*

5 3 *The directors may revoke any delegation in whole or part, or alter its terms and conditions*

6. Committees

6 1 *Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors*

6 2 *The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them*

DECISION MAKING BY DIRECTORS

7. Directors to take decisions collectively

7 1 *The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8*

7 2 *If*

(a) *the company only has one director, and*

(b) *no provision of the articles requires it to have more than one director,*

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making

8. Unanimous decisions

8 1 *A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter*

8 2 *Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing*

8 3 *References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting*

8 4 *A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting*

9. Calling a directors' meeting

9 1 *Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice*

9 2 *Notice of any directors' meeting must indicate –*

- (a) *its proposed date and time,*
- (b) *where it is to take place, and*
- (c) *if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting*

9 3 *Notice of a directors' meeting must be given to each director, but need not be in writing*

9 4 *Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it*

10. Participation in directors' meetings

10 1 *Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when –*

- (a) *the meeting has been called and takes place in accordance with the articles, and*
- (b) *they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting*

10 2 *In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other*

10 3 *If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place where any of them is*

11. Quorum for directors' meetings

11 1 *At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting*

11 2 *The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.*

11 3 *If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision,*

- (a) *to appoint further directors, or*
- (b) *to call a general meeting so as to enable the shareholders to appoint further directors*

12. Chairing of directors' meetings

12 1 *The directors may appoint a director to chair their meetings*

12 2 *The person so appointed for the time being is known as the chairman*

12 3 *The directors may terminate the chairman's appointment at any time*

- 12.4 *If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it*

13. Casting Vote

- 13 1 *If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote*
- 13 2 *But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes*

14. Conflicts of Interest

- 14 1 *If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes*
- 14 2 *But if paragraph 14 3 applies, a director who is interested in an actual or proposed transaction or arrangement with the company to be counted as participating in the decision-making process for quorum and voting purposes*
- 14 3 *This paragraph applies when –*
- (a) *the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process,*
 - (b) *the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest, or*
 - (c) *the director's conflict of interest arises from a permitted cause*
- 14 4 *For the purposes of this article, the following are permitted causes –*
- (a) *a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries,*
 - (b) *subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and*
 - (c) *arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors*
- 14 5 *For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting*
- 14 6 *Subject to paragraph 14 7, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive*

- 14 7 *If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes*

15. Records of decisions to be kept

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors

16. Directors' discretion to make further rules

Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors

APPOINTMENT OF DIRECTORS

17. Methods of appointing directors

- 17 1 *Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director –*

- (a) *by ordinary resolution, or*
- (b) *by a decision of the directors*

- 17 2 *In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director*

- 17 3 *For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder*

18. Termination of director's appointment

- 18 1 *A person ceases to be a director as soon as –*

- (a) *that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,*
- (b) *a bankruptcy order is made against that person,*
- (c) *a composition is made with that person's creditors generally in satisfaction of that person's debts,*
- (d) *a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,*
- (e) *by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,*

- (f) *notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms*

19. Directors' remuneration

19 1 *Directors may undertake any services for the company that the directors decide*

19 2 *Directors are entitled to such remuneration as the directors determine –*

- (a) *for their services to the company as directors, and*
- (b) *for any other service which they undertake for the company*

19 3 *Subject to the articles, a director's remuneration may –*

- (a) *take any form, and*
- (b) *include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that matter*

19 4 *Unless the directors decide otherwise, directors' remuneration accrues from day to day*

19 5 *Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested*

20. Directors' expenses

20 1 *The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at –*

- (a) *meetings of directors or committees of directors,*
- (b) *general meetings, or*
- (c) *separate meetings of the holders of any class or of debentures of the company,*

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company

PART 3

SHARES AND DISTRIBUTIONS

SHARES

21. All shares to be fully paid up

21 1 *No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue*

21 2 *This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum*

22. Powers to issue different classes of share

- 22.1 *Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution*
- 22.2 *The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares*

23. Company not bound by less than absolute interests

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it

24. Share certificates

- 24.1 *The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds*
- 24.2 *Every certificate must specify –*
- (a) in respect of how many shares, of what class, it is issued;*
 - (b) the nominal value of those shares,*
 - (c) that the shares are fully paid, and*
 - (d) any distinguishing numbers assigned to them*
- 24.3 *No certificate may be issued in respect of shares of more than one class*
- 24.4 *If more than one person holds a share, only one certificate may be issued in respect of it*
- 24.5 *Certificates must –*
- (a) have affixed to them the company's common seal, or*
 - (b) be otherwise executed in accordance with the Companies Acts*

25. Replacement share certificates

- 25.1 *If a certificate issued in respect of a shareholder's shares is –*
- (a) damaged or defaced, or*
 - (b) said to be lost, stolen or destroyed,*
- that shareholder is entitled to be issued with a replacement certificate in respect of the same shares*
- 25.2 *A shareholder exercising the right to be issued with such a replacement certificate –*

- (a) *may at the same time exercise the right to be issued with a single certificate or separate certificates,*
- (b) *must return the certificate which is to be replaced to the company if it is damaged or defaced, and*
- (c) *must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide*

26. Share transfers

- 26 1 *Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor*
- 26 2 *No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share*
- 26 3 *The company may retain any instrument of transfer which is registered*
- 26 4 *The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it*
- 26 5 *The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent*

27. Transmission of shares

- 27 1 *If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share*
- 27 2 *A transmittee who produces such evidence of entitlement to shares as the directors may properly require –*
 - (a) *may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and*
 - (b) *subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had*
- 27 3 *But transmittees do not have right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares*

28. Exercise of transmittees' rights

- 28 1 *Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish*
- 28 2 *If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it*

- 28 3 *Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred*

29. Transmittees bound by prior notices

If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members

DIVIDENDS AND OTHER DISTRIBUTIONS

30. Procedure for declaring dividends

- 30 1 *The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends*
- 30 2 *A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors*
- 30 3 *No dividend may be declared or paid unless it is in accordance with shareholders' respective rights*
- 30 4 *Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it*
- 30 5 *If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear*
- 30 6 *The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available by distribution justify the payment*
- 30 7 *If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights*

31. Payment of dividends and other distributions

- 31 1 *Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means –*
- (a) *transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,*
 - (b) *sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share) or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide,*

- (c) *sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide, or*
- (d) *any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide*

31 2 *In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable –*

- (a) *the holder of the share, or*
- (b) *if the share has two or more joint holders, whichever of them is named first in the register of members, or*
- (c) *if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee*

32. No interest on distributions

32 1 *The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by –*

- (a) *the terms on which the share was issued, or*
- (b) *the provisions of another agreement between the holder of that share and the company.*

33. Unclaimed distributions

33 1 *All dividends or other sums which are –*

- (a) *payable in respect of shares, and*
- (b) *unclaimed after having been declared or become payable,*

may be invested or otherwise made use of by the directors for the benefit of the company until claimed

33 2 *The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it*

33 3 *If –*

- (a) *twelve years have passed from the date on which a dividend or other sum became due for payment, and*
- (b) *the distribution recipient has not claimed it,*

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company

34. Non-cash distributions

34 1 *Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution*

payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company)

34 2 *For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution –*

- (a) *fixing the value of any assets,*
- (b) *paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and*
- (c) *vesting any assets in trustees*

35. Waiver of distributions

35 1 *Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if –*

- (a) *the share has more than one holder, or*
- (b) *more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,*

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share

CAPITALISATION OF PROFITS

36. Authority to capitalise and appropriation of capitalised sums

36 1 *Subject to the articles, the directors may, if they are so authorised by an ordinary resolution –*

- (a) *decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve, and*
- (b) *appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions*

36 2 *Capitalised sums must be applied –*

- (a) *on behalf of the persons entitled, and*
- (b) *in the same proportions as a dividend would have been distributed to them*

36 3 *Any capitalised sums may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct*

36 4 *A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct*

36 5 *Subject to the articles the directors may –*

- (a) *apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another,*
- (b) *make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and*
- (c) *authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article*

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

37. Attendance and speaking at general meetings

- 37 1 *A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting*
- 37 2 *A person is able to exercise the right to vote at a general meeting when –*
 - (a) *that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and*
 - (b) *that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting*
- 37 3 *The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it*
- 37 4 *In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other*
- 37 5 *Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them*

38. Quorum for general meetings

- 38 1 *No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum*

39. Chairing general meetings

- 39 1 *If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so*
- 39 2 *If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which the meeting was due to start –*

- (a) *the directors present, or*
- (b) *(if no directors are present), the meeting,*

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting

39 3 *The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting"*

40. Attendance and speaking by directors and non-shareholders

40 1 *Directors may attend and speak at general meetings, whether or not they are shareholders*

40 2 *The chairman of the meeting may permit other persons who are not –*

- (a) *shareholders of the company, or*
- (b) *otherwise entitled to exercise the rights of shareholders in relation to general meetings,*
to attend and speak at a general meeting

41. Adjournment

41 1 *If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it*

41 2 *The chairman of the meeting may adjourn a general meeting at which a quorum is present if –*

- (a) *the meeting consents to an adjournment, or*
- (b) *it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner*

41 3 *The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting*

41 4 *When adjourning a general meeting, the chairman of the meeting must –*

- (a) *either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and*
- (b) *have regard to any directions as to the time and place of any adjournment which have been given by the meeting*

41 5 *If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given) –*

- (a) *to the same persons to whom notice of the company's general meetings is required to be given, and*
- (b) *containing the same information which such notice is required to contain*

- 41 6 *No business may be transacted at an adjourned meeting which could not properly have been transacted at the meeting if the adjournment had not taken place*

VOTING AT GENERAL MEETINGS

42. Voting: general

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles

43. Errors and disputes

- 43 1 *No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid*
- 43 2 *Any such objection must be referred to the chairman of the meeting, whose decision is final*

44. Poll votes

- 44 1 *A poll on a resolution may be demanded –*
- (a) *in advance of the general meeting where it is to be put to the vote, or*
 - (b) *at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared*
- 44 2 *A poll may be demanded by –*
- (a) *the chairman of the meeting,*
 - (b) *the directors,*
 - (c) *two or more persons having the right to vote on the resolution, or*
 - (d) *a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution*
- 44 3 *A demand for a poll may be withdrawn if –*
- (a) *the poll has not yet been taken, and*
 - (b) *the chairman of the meeting consents to the withdrawal*
- 44.4 *Polls must be taken immediately and in such manner as the chairman of the meeting directs*
- #### **45. Content of proxy notices**
- 45 1 *Proxies may only validly be appointed by a notice in writing (a "proxy notice") which –*
- (a) *states the name and address of the shareholder appointing the proxy,*
 - (b) *identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed*

- (c) *is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine, and*
 - (d) *is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate*
- 45 2 *The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes*
- 45 3 *Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions*
- 45 4 *Unless a proxy notice indicates otherwise, it must be treated as –*
- (a) *allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and*
 - (b) *appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself,*

46. Delivery of proxy notices

- 46 1 *A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.*
- 46 2 *An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given*
- 46 3 *A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates*
- 46 4 *If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf*

47. Amendments to resolutions

- 47 1 *An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if –*
- (a) *notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and*
 - (b) *the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution*
- 47 2 *A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if –*

- (a) *the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and*
- (b) *the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution*

47 3 *If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution*

PART 5

ADMINISTRATIVE ARRANGEMENTS

48. Means of communication to be used

- 48 1 *Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company*
- 48 2 *Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being*
- 48 3 *A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours*

49. Company seals

- 49 1 *Any common seal may only be used by the authority of the directors*
- 49 2 *The directors may decide by what means and in what form any common seal is to be used*
- 49 3 *Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature*
- 49 4 *For the purposes of this article, an authorised person is –*
 - (a) *any director of the company,*
 - (b) *the company secretary (if any), or*
 - (c) *any person authorised by the directors for the purpose of signing documents to which the common seal is applied*

50. No right to inspect accounts and other records

- 50 1 *Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder*

51. Provision for employees on cessation of business

- 51 1 *The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary*

DIRECTORS' INDEMNITY AND INSURANCE

52. Indemnity

- 52 1 *Subject to paragraph 52 2, a relevant director of the company or an associated company may be indemnified out of the company's assets against –*

- (a) *any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,*
- (b) *any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),*
- (c) *any other liability incurred by that director as an officer of the company or an associated company*

- 52 2 *This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law*

- 52 3 *In this article –*

- (a) *companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and*
- (b) *a "relevant director" means any director or former director of the company or an associated company*

53. Insurance

- 53 1 *The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss*

- 53 2 *In this article –*

- (a) *a "relevant director" means any director or former director of the company or an associated company,*
- (b) *a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and*
- (c) *companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate*