

Company Number 07314950

**COMPANIES ACT 2006**

**A PRIVATE COMPANY LIMITED BY SHARES**

**RECORD OF DECISION BY THE SOLE MEMBER OF**

**PALIO (NO 3) LIMITED (THE "COMPANY")**

**PROVIDED PURSUANT TO SECTION 357(2) OF THE COMPANIES ACT 2006**

**(DECISION TAKEN ON 27 OCTOBER 2010)**

Pursuant to section 357(2) of the Companies Act 2006, the sole member of the Company has provided the Company with a record of the following decision taken on 27 October 2010, being a decision which may be taken by the Company in general meeting and which has effect as if agreed by the Company in general meeting as a special resolution

**RESOLUTION**

- 1 That, in accordance with section 21 of the Companies Act 2006, the Company's articles of association are amended by the substitution of the following new article 16 for the existing article 16

**DIRECTORS' CONFLICTS OF INTEREST**

16 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 (an "Interested Director") breaching his duty under section 175 of the Act to avoid conflicts of interest ("Conflicts")

Any authorisation under this article 16 will be effective only if

- (a) the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of the articles or in such other manner as the directors may determine,
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted

16 2 Any authorisation of a Conflict under this article 16 may (whether at the time of giving the authorisation or subsequently)

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- (b) provide that the Interested Director be excluded from the receipt of documents and information related to the Conflict and from participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
- (c) provide that the Interested Director shall or shall not be entitled to vote in respect of any future decision of the directors in relation to any resolution related to the Conflict,

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- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
- (e) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters

16.3 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict

16.4 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director prior to such revocation or variation, in accordance with the terms of such authorisation

16.5 An Interested Director shall be under no duty to the company with respect to any information which he obtains or has obtained otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person. In particular, the director shall not be in breach of the general duties he owes to the company by virtue of sections 171 to 177 of the Act because he fails

- (a) to disclose any such information to the directors or to any director or other officer or employee of the company, or
- (b) to use or apply any such information in performing his duties as a director

However to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this article applies only if the existence of that relationship has been approved by the directors pursuant to this article 16

16.6 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

Signed



~~Director/Secretary~~ Sole member