

File Copy



CERTIFICATE OF INCORPORATION OF A PRIVATE LIMITED COMPANY

Company No. 07320958

The Registrar of Companies for England and Wales, hereby certifies that

PROPERTY FINANCE CAPITAL LIMITED

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on 21st July 2010



N07320958L



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —

The above information was communicated by electronic means and authenticated by the Registrar of Companies under Section 1115 of the Companies Act 2006



Companies House
— for the record —

IN01(ef)

Application to register a company

Received for filing in Electronic Format on the: 20/07/2010



XMD6YLUF

*Company Name
in full:* **PROPERTY FINANCE CAPITAL LIMITED**

Company Type: **Private limited by shares**

*Situation of Registered
Office:* **England and Wales**

*Proposed Register
Office Address:* **49A HIGH STREET
RUISLIP
MIDDLESEX
UNITED KINGDOM
HA4 7BD**

I wish to adopt entirely bespoke articles

Company Director **I**

Type: **Person**

Full forename(s): **HOWARD RAMON**

Surname: **KEEN**

Former names:

Service Address: **STAMFORD HOUSE PRIMETT ROAD
STEVENAGE
HERTFORDSHIRE
UNITED KINGDOM
SG1 3EE**

Country/State Usually Resident: **UNITED KINGDOM**

Date of Birth: **07/06/1933**

Nationality: **BRITISH**

Occupation: **SOLICITOR**

Consented to Act: **Y**

Date authorised: **21/07/2010**

Authenticated: **YES**

Company Director 2

Type: **Person**
Full forename(s): **JONATHAN**

Surname: **RUBINS**

Former names:

Service Address: **49A HIGH STREET
RUISLIP
MIDDLESEX
UNITED KINGDOM
HA4 7BD**

Country/State Usually Resident: **UNITED KINGDOM**

Date of Birth: **02/05/1967** *Nationality:* **BRITISH**

Occupation: **DIRECTOR**

Consented to Act: **Y** *Date authorised:* **21/07/2010** *Authenticated:* **YES**

Company Director **3**

Type: **Person**
Full forename(s): **BRIAN LESLEY**

Surname: **RUBINS**

Former names:

Service Address: **49A HIGH STREET
RUISLIP
MIDDLESEX
UNITED KINGDOM
HA4 7BD**

Country/State Usually Resident: **UNITED KINGDOM**

Date of Birth: **14/12/1939** *Nationality:* **BRITISH**

Occupation: **DIRECTOR**

Consented to Act: **Y** *Date authorised:* **21/07/2010** *Authenticated:* **YES**

Company Director 4

Type: **Person**
Full forename(s): **STEPHEN DANIEL**

Surname: **MELLER**

Former names:

Service Address: **49A HIGH STREET
RUISLIP
MIDDLESEX
UNITED KINGDOM
HA4 7BD**

Country/State Usually Resident: **UNITED KINGDOM**

Date of Birth: **28/09/1967** *Nationality:* **BRITISH**

Occupation: **FINANCE BROKER**

Consented to Act: **Y** *Date authorised:* **21/07/2010** *Authenticated:* **YES**

Statement of Capital (Share Capital)

Class of shares	'A' ORDINARY	<i>Number allotted</i>	1000
		<i>Aggregate nominal value</i>	1000.00
<i>Currency</i>	GBP	<i>Amount paid per share</i>	1.00
		<i>Amount unpaid per share</i> ⁰	

Prescribed particulars

THE 'A' SHARES HAVE ATTACHED TO THEM FULL VOTING, DIVIDEND AND CAPITAL DISTRIBUTION, INCLUDING ON WINDING UP, RIGHTS AND ARE NOT REDEEMABLE.

Statement of Capital (Totals)

<i>Currency</i>	GBP	<i>Total number of shares</i>	1000
		<i>Total aggregate nominal value</i>	1000.00

Initial Shareholdings

Name: **ALTERNATIVE BRIDGING
CORPORATION LIMITED**

Class of share: **'A' ORDINARY**

Address: **49A HIGH STREET
RUISLIP
MIDDLESEX
UNITED KINGDOM
HA4 7BD**

Number of shares: **1000**

Currency: **GBP**

*Nominal value of
each share:* **1.00**

Amount unpaid: **0**

Amount paid: **1.00**

Statement of Compliance

I confirm the requirements of the Companies Act 2006 as to registration have been complied with.

Name: ALTERNATIVE BRIDGING
CORPORATION LIMITED
Authenticated: YES

Authorisation

Authoriser Designation: **subscriber**

Authenticated: **Yes**

COMPANY HAVING A SHARE CAPITAL

Memorandum of Association

of

PROPERTY FINANCE CAPITAL LIMITED

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share.

Method of authentication: Electronic

Name of subscriber(s)

ALTERNATIVE BRIDGING CORPORATION LIMITED

Dated: 20 July 2010

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

FOR

PROPERTY FINANCE CAPITAL LIMITED

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. **Defined terms**

1.1. In the articles, unless the context requires otherwise:

“ABC Lending Company” means any subsidiary of Alternative Bridging Corporation Ltd that is involved in the business of providing short term loans;

“articles” means the Company’s articles of association;

“A Shares” has the meaning given in article 22;

“A Shareholder” means any holder of A Shares;

“A Shareholder Group Member” means a person that is either a subsidiary or holding company, or a subsidiary of the holding company, of any A Shareholder;

“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;

“B Shares” has the meaning given in article 22;

“B Shareholder” means any holder of B Shares;

“chairman” has the meaning given in article 13;

“chairman of the meeting” has the meaning given in article 41.3;

“Company” means Property Finance Capital Limited a private company limited by shares;

“CA2006” means the Companies Act 2006;

“Companies Acts” means the Companies Acts (as defined in section 2 of the CA2006), 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 33;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the CA2006;

“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 CA2006;

“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 CA2006;

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 11;

“person” means any person, bodies corporate, unincorporated associations, trusts or partnerships (in each case whether or not having a separate legal personality);

“proxy notice” has the meaning given in article 47;

“shareholder” means a person who is the holder of a share;

“shares” means shares in the Company;

“special resolution” means a resolution that is passed by not less than 75% of the A Shareholders;

“subsidiary” has the meaning given in section 1159 of the CA2006; and

“writing” means the 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.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the CA2006 as in force on the date when these articles become binding on the Company.

2. Liability of members

- 2.1. 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. Directors’ general authority

- 3.1. Subject to the articles, the directors are responsible for the management of the Company’s business, this being the procuring of loans from the Company’s shareholders (and entering into any associated documentation relating thereto)

and the granting of loans to any ABC Lending Company (and entering into any associated documentation relating thereto), and for this purpose the directors may exercise all the powers of the Company.

4. Limits on the directors' authority

4.1. No action shall be taken by any director, officer, employee or consultant of the Company without a shareholders' special resolution in respect of the consideration or implementation of any of the matters listed below by or on behalf of the Company:

- (a) lending to or otherwise trading with any party other than an ABC Lending Company;
- (b) the entry into any material or long term agreement or any agreement not in the usual course of business to which neither an ABC Lending Company nor a shareholder of the Company is a party; and
- (c) the making or guaranteeing of any loan or advance whatsoever or the giving of any guarantee, indemnity or security in respect of the obligations of any other party other than in relation to an ABC Lending Company.

4.2. Nothing in article 4.1 shall prevent a director or directors of the Company from entering into any agreement for the provision of administration or audit services to the Company or from exercising their powers and discharging their responsibilities in relation to the Company.

5. Shareholders' reserve power

5.1. Notwithstanding any other provision in the articles, no action shall be taken by the Company to alter or amend the articles without the approval of 100% of the A Shareholders and 75% of the B Shareholders.

6. Directors may delegate

6.1. 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.

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

6.3. The directors may revoke any delegation in whole or part, or alter its terms and conditions.

7. Committees

- 7.1. 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.
- 7.2. 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

8. Directors to take decisions collectively

- 8.1. 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 9.

9. Unanimous decisions

- 9.1. 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.
- 9.2. 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.
- 9.3. 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.
- 9.4. 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.

10. Calling a directors' meeting

- 10.1. 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.
- 10.2. 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.
- 10.3. Notice of a directors' meeting must be given to each director, but need not be in writing.
- 10.4. 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.

11. Participation in directors' meetings

11.1. 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.

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

11.3. 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 wherever any of them is.

12. Quorum for directors' meetings

12.1. At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

12.2. The quorum for directors' meetings may be fixed from time to time by a decision of the directors and unless otherwise fixed it is three.

12.3. 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 to call a meeting of the A Shareholders so as to enable the A Shareholders to appoint further directors.

13. Chairing of directors' meetings

13.1. The directors may appoint a director to chair their meetings.

13.2. The person so appointed for the time being is known as the chairman.

13.3. The directors may terminate the chairman's appointment at any time.

13.4. 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.

14. Casting vote

14.1. If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

14.2. 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.

15. Conflicts of interest

- 15.1. For the purposes of this article 15, a **conflict of interest** includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.
- 15.2. The directors may, in accordance with the requirements set out in this article 15, authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of CA2006 to avoid conflicts of interest (such matter being hereinafter referred to as a **Conflict**).
- 15.3. A director seeking authorisation in respect of a Conflict shall declare to the other directors the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The director shall provide the other directors with such details of the relevant matter as are necessary for the other directors to decide how to address the Conflict, together with such other information as may be requested by the other directors.
- 15.4. Any authorisation under this article 15 will be effective only if:
- (a) 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;
 - (b) any requirement as to the quorum at any meeting of the directors at which the matter is considered is met without counting the director in question and any other conflicted director(s); and
 - (c) the matter was agreed to without the director and any other conflicted director(s) voting or would have been agreed to if their votes had not been counted.
- 15.5. Any authorisation of a Conflict under this article 15 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 Conflict so authorised;
 - (b) be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; or
 - (c) 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.
- 15.6. In authorising a Conflict 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 the 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:

(a) disclose such information to the directors or to any director or other officer or employee of the Company; or

(b) 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.

15.7. Where the directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the director:

(a) is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;

(b) is not given any documents or other information relating to the Conflict;

(c) 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 the Conflict.

15.8. Where the directors authorise a Conflict:

(a) the director will be obliged to conduct himself in accordance with any terms, limits and/or conditions imposed by the directors in relation to the Conflict;

(b) the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of CA2006 provided he acts in accordance with such terms, limits and/or conditions (if any) as the directors impose in respect of its authorisation.

15.9. 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 receives as director or other officer or employee of the Company's subsidiaries or of any other body corporate in which the Company is interested or 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 nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of CA2006.

15.10. Subject to the applicable provisions for the time being of the Companies Acts and to any terms, limits and/or conditions imposed by the directors in accordance with article 15.5(b), and provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with the Companies Acts, a director notwithstanding his office:

(a) may continue to be or become a director (executive or non-executive), managing director, manager or other officer of, or employee of, or holder (directly or indirectly) of any other place of profit in any A Shareholder Group Member;

- (b) may continue to be or become a shareholder in any A Shareholder Group Member;
- (c) may be party to or otherwise directly or indirectly interested in any other proposed or existing transaction or arrangement (whether or not constituting a contract) with, or entered into by, any A Shareholder Group Member,
- (d) shall be counted as participating for voting and quorum purposes in any decision in connection with any proposed or existing transaction or arrangement with any A Shareholder Group Member, in which he is in any way directly or indirectly interested;
- (e) 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; and
- (f) shall not, by reason of his office, be accountable to the Company for any benefit which he (or anyone connected with him (as defined in section 252 of CA2006) derives from any such office or employment or from any such contract, transaction or arrangement or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, nor shall the receipt of any such remuneration or benefit constitute a breach of his duty under section 176 of CA2006,

and, pursuant to section 180(4)(b) of CA2006, a director's duties shall not be infringed by anything done (or omitted) by the directors, or any of them, in accordance with the provisions of this article 15.10.

- 15.11. For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 15.12. Subject to article 15.13, 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.
- 15.13. 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.

16. Records of decisions to be kept

- 16.1. 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.

17. Directors' discretion to make further rules

- 17.1. 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

18. Methods of appointing directors

- 18.1. 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 with the consent of 75% of the holders of A Shares.
- 18.2. 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.
- 18.3. For the purposes of paragraph 18.2, 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.

19. Termination of director's appointment

- 19.1. 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 CA2006 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.

20. Directors' remuneration

- 20.1. Directors may undertake any services for the Company that the directors decide.
- 20.2. Subject to article 21, directors are not entitled to any remuneration for any service which they undertake for the Company.

- 20.3. 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.

21. Directors' costs and expenses

- 21.1. The Company may pay any reasonable costs (including legal costs) and expenses which the directors properly incur in connection with their attendance at:

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

22. Classes of shares

- 22.1. The classes of shares in the Company are as follows:

- (a) ordinary shares of £1 each in the capital of the Company ("A Shares"); and
- (b) shares of £10 each in the capital of the Company ("B Shares").

- 22.2. Unless the context requires otherwise, references in these articles to shares of a particular class shall include shares created and/or issued after the date of adoption of these articles and ranking *pari passu* in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.

23. All shares to be fully paid up

- 23.1. 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.
- 23.2. This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

24. Rights attaching to the Shares

- 24.1. The A Shares shall have attached to them full rights to receive notice of and to attend, speak and vote at all general meetings of the Company and each holder of A Shares shall be entitled to receive any dividend or any distribution of any nature whatsoever in respect of his holding of A Shares, and shall also have full

capital rights in relation to his A Shares with regard to any sale, listing or winding up of the Company.

- 24.2. Subject to article 5, the B Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meetings of the Company and a B Shareholder shall not be entitled to receive any dividend or any distribution of any nature whatsoever in respect of his holding of B Shares, and shall not have any capital rights in relation to his holding of B Shares with regard to any sale, listing or winding up of the Company.
- 24.3. An A Shareholder shall not be entitled to transfer any A Shares whatsoever without prior written approval from all of the shareholders of the Company, except where such transfer is to an A Shareholder Group Member.
- 24.4. A B Shareholder shall not be entitled to transfer any B Shares whatsoever without prior written approval from the board of directors of the Company, except in the following circumstances:
 - (a) in accordance with article 26,
 - (b) in the event of a B Shareholder's ill-health or bankruptcy such B Shareholder shall be entitled (to the extent permitted by law) to transfer his B Share to any spouse, civil partner, brother, sister, parent, child or grandchild connected to Such B Shareholder provided that there is an outstanding loan due to such B Shareholder by the Company at the time of such transfer,
 - (c) by operation of law.

25. Allotments

- 25.1. Subject to article 25.3 below, the directors are generally and unconditionally authorised in accordance with section 551 of the 2006 Act to exercise all powers of the Company to allot, and make an offer or agreement to allot, grant rights, and make an offer or agreement to grant rights, to subscribe for or to convert any security into, A Shares and B Shares up to an aggregate nominal amount of £11,000, consisting of 1000 A Shares and 1000 B Shares, for a period of 5 years from either the date of incorporation of the Company or the date of the special resolution adopting these articles (whichever is the sooner) 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 made by the Company within that period.
- 25.2. The authority given in article 25.1 may be renewed, revoked or varied by special resolution of the Company in general meeting.
- 25.3. Pursuant to section 570 of the 2006 Act, the directors are generally and unconditionally authorised to allot, and make an offer or agreement to allot, grant rights, and make an offer or agreement to grant rights, to subscribe for or to convert any security into, A Shares and B Shares as if section 561 of the 2006 Act did not apply, up to an aggregate nominal amount of £11,000, consisting of 1000 A Shares and 1000 B Shares, for a period of 5 years from either the date of incorporation of the Company or the date of the special resolution adopting these articles (whichever is the sooner) 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 made by the Company within that period.

26. Share transfers

- 26.1. Subject to the other provisions of the articles, shares may be permitted to 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. Off-market purchases

- 27.1. In the event that a B Shareholder either (a) fails to provide a loan to the Company in any 12 month period having been requested to do so by the Company, or (b) wishes to sell his B Share to the Company for whatsoever reason, each shareholder hereby approves the purchase by the Company of such B Share out of capital for a nominal value of £10 per B Share pursuant to Part 18 of the CA2006 and such B Shareholder shall be deemed to have irrevocably appointed any director of the Company to be its agent and attorney to execute all necessary transfers on such B Shareholder's behalf.

28. No power to issue different classes of share

- 28.1. The Company shall not be entitled to issue shares other than A Shares or B Shares.

29. Company not bound by less than absolute interests

- 29.1. 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.

30. Share certificates

- 30.1. The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 30.2. 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.
- 30.3. No certificate may be issued in respect of shares of more than one class.
- 30.4. If more than one person holds a share, only one certificate may be issued in respect of it.
- 30.5. Certificates must:
 - (a) have affixed to them the Company's common seal, or
 - (b) be otherwise executed in accordance with the Companies Acts.
- 31. Replacement share certificates**
- 31.1. 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.
- 31.2. 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.

DIVIDENDS AND OTHER DISTRIBUTIONS

- 32. Procedure for declaring dividends**
- 32.1. The Company may not declare dividends, whether final or interim, except with the prior approval of all A Shareholders.
- 32.2. 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.
- 32.3. No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 32.4. 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.

- 32.5. 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.
- 32.6. The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 32.7. 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.

33. Payment of dividends and other distributions

- 33.1. 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.
- 33.2. 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.

34. No interest on distributions

- 34.1. 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.

35. Unclaimed distributions

35.1. 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.

35.2. The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

35.3. 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.

36. Non cash distributions

36.1. Subject to the terms of issue of the share in question, the Company may, by special 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).

36.2. 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.

37. Waiver of distributions

37.1. 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

38. Authority to capitalise and appropriation of capitalised sums

38.1. Subject to the articles, the directors may, if they are so authorised by a special 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.

38.2. 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.

38.3. Any capitalised sum 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.

38.4. 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.

38.5. Subject to the articles the directors may:

- (a) apply capitalised sums in accordance with paragraphs 38.3 and 38.4 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

39. Attendance and speaking at general meetings

39.1. 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.

- 39.2. 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.
- 39.3. 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.
- 39.4. 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.
- 39.5. 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.

40. Quorum for general meetings

- 40.1. 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.
- 40.2. Where the A Shareholder/s that hold/s at least 50% of the issued A Shares are present at a general meeting, such general meeting shall be quorate.

41. Chairing general meetings

- 41.1. If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 41.2. 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 a 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.
- 41.3. The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

42. Attendance and speaking by directors and non shareholders

- 42.1. Directors may attend and speak at general meetings, whether or not they are shareholders.
- 42.2. 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.

43. Adjournment

- 43.1. 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.
- 43.2. 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.
- 43.3. The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 43.4. 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.
- 43.5. 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.
- 43.6. No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

44. Voting: general

- 44.1. 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.

45. Errors and disputes

- 45.1. 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.
- 45.2. Any such objection must be referred to the chairman of the meeting, whose decision is final.

46. Poll votes

- 46.1. 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.
- 46.2. 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.
- 46.3. 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.
- 46.4. Polls must be taken immediately and in such manner as the chairman of the meeting directs.
- ### **47. Content of proxy notices**
- 47.1. 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.
- 47.2. The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 47.3. 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.
- 47.4. 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.
- 48. Delivery of proxy notices**
- 48.1. 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.
- 48.2. 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.
- 48.3. 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.
- 48.4. 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.
- 49. Amendments to resolutions**
- 49.1. A special resolution to be proposed at a general meeting may be amended by special 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.
- 49.2. A special resolution to be proposed at a general meeting may be amended by special 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.
- 49.3. 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

50. Means of communication to be used

- 50.1. 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 CA2006 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.
- 50.2. 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.
- 50.3. 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.

51. Company seals

- 51.1. Any common seal may only be used by the authority of the directors.
- 51.2. The directors may decide by what means and in what form any common seal is to be used.
- 51.3. 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.
- 51.4. 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.

52. No right to inspect accounts and other records

- 52.1. Except as provided by law or authorised by the directors or a special 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.

53. Provision for employees on cessation of business

- 53.1. 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

54. Indemnity

- 54.1. Subject to paragraph 53.2, 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 CA2006),
- (c) any other liability incurred by that director as an officer of the Company or an associated Company.

- 54.2. 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.

- 54.3. 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.

55. Insurance

- 55.1. 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.

- 55.2. 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.