

**THE COMPANIES ACTS 1985 TO 2006
COMPANY LIMITED BY SHARES**

ARTICLES OF ASSOCIATION

of

CHURCHILL RETIREMENT PLC

(registered No 7428858)



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(AS AMENDED BY SPECIAL RESOLUTION DATED 26 OCTOBER 2012
AND 19 SEPTEMBER 2013)

1 PRELIMINARY

The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies Act (Table A to F) (Amendment) Regulations 1985 (hereinafter referred to as "**Table A**") shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or articles of association. Reference herein to "regulations" are to regulations in Table A.

2 PUBLIC COMPANY

The Company is a public company within the meaning of section 4(2) of the Companies Act 2006.

3 INTERPRETATION

3.1 In these Articles unless the context otherwise requires the following expressions have the following meanings:

"Act" the Companies Act 2006 including any statutory modification or re-enactment for the time being in force,

"A Tracker Shares" A convertible redeemable preference shares of £1 each in the capital of the Company having the rights as set out in Article 5 and "**A Tracker Shareholders**" shall be construed accordingly,

"B Tracker Shares" B convertible redeemable preference shares of £1 each in the capital of the Company having the rights set out in Article 5 and "**B Tracker Shareholders**" shall be construed accordingly,

"Bad Leaver"	an Employee Member whose employment ceases as a result of any default or breach by such Employee Member of his contract of employment,
"Controlling Interest"	an interest in shares in a company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in that company,
"Director"	any director for the time being of the Company,
"Employee Member"	a person who is or has been a director and/or an employee of the Company or any of its subsidiaries, and who is not, and has not been, a holder of Preference Shares or Tracker Shares,
"Independent Expert"	the Company's auditors, unless any of the parties concerned shall object, in which case an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales,
"Listing"	the admission of the equity share capital of the Company or any part of it to trading on the Official List of the UK Listing Authority (" Official Listing ") or the Alternative investment Market of the London Stock Exchange plc, any other recognised stock exchange (as defined in Section 285 (1) of the Financial Services and Markets Act 2000) or PLUS,
"Listing Date"	the date of a Listing,
"PLUS"	the PLUS-quoted market operated by PLUS Markets Plc,
"Ordinary Shares"	ordinary shares of £1 each in the capital of the Company and " Ordinary Shareholders " shall be construed accordingly,
"Preference Shares"	convertible redeemable preference shares of £1 each in the capital of the Company having the rights as set out in Article 5 and " Preference Shareholders " shall be construed accordingly,
"Sale"	the completion of an acquisition of 90% or more of the issued equity share capital of the Company (or 90% or more of all such capital including any already held by the offeror),
"Sale Date"	the date of a Sale,

"Shares"	shares in the share capital of the Company as the context shall allow,
"Termination Date"	<p>where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires,</p> <p>where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served,</p> <p>where the Employee Member concerned is a director but not an employee, the date on which his contract for services with the Company is terminated, and</p> <p>in any other case, the date on which the contract of employment is terminated,</p>
"Tracker Shares"	the A Tracker Shares and the B Tracker Shares,
"UK Listing Authority"	the Financial Services Authority (or such other authority or body as shall be duly appointed to act) acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000

3 2 Words or expressions the definitions of which are contained or referred to in the Act shall be construed as having the meaning thereby attributed to them

3 3 Words importing the singular shall include the plural, words importing one gender include every gender and words importing persons include bodies corporate and unincorporated and (in each case) vice versa

4 **SHARES**

4 1 The capital limit of the Company at the date of adoption of these Articles is £76,920,000 divided into 1,500,000 Ordinary Shares, 10,000,000 Preference Shares, 63,910,000 A Tracker Shares and 1,510,000 B Tracker Shares

4 2 Any Shares proposed to be issued shall first be offered to the members holding Shares of the same class in proportion as nearly as may be to the number of the existing Shares of that class held by them respectively unless the Company shall by Special Resolution otherwise direct The offer shall be made by notice specifying the number of Shares offered and limiting a period (not being less than 14 days) within which the offer if not accepted will be deemed to be declined After the expiration of that period, those Shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have within the said period accepted all the Shares offered to them Such further offer shall be made in the same manner and limited by a like period as the original offer Any Shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any Shares released from the provisions of this Article by such Special Resolution as aforesaid shall be under the control

of the Directors who may allot grant options over or otherwise dispose of the same to such persons on such terms and in such manner as they think fit provided that in the case of Shares not accepted as aforesaid such Shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they are offered to the members In accordance with Section 567(1) of the Act Sections 561 and 562 of the Act shall be excluded from applying to the Company

- 4 3 Subject to the provisions of Part 18 of the Act any shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed

5 RIGHTS ATTACHING TO THE PREFERENCE SHARES, THE A TRACKER SHARES AND THE B TRACKER SHARES

The Preference Shares, the A Tracker Shares and the B Tracker Shares shall confer on their holders the following rights

5 1 Income

The profits of the Company in respect of any financial year shall be applied¹

- 5 1 1 First, in paying to the holders of the A Tracker Shares and the B Tracker Shares (par passu as if the same constituted one class of share) a preferential dividend (the "**Tracker Dividend**") of such amount per annum as is equal to

- 5 1 1 1 from 1 December 2009 to 30 November 2012 (inclusive), the Bank of England base rate from time to time (calculated on a daily basis) provided that

- (a) if, and for so long as, the Bank of England base rate shall fall below 1% (one per cent), then the rate to be applied for the calculation of the Tracker Dividend shall be 1% (one per cent), and
- (b) if, and for so long as, the Bank of England base rate shall exceed 4% (four per cent), then the rate to be applied for the calculation of the Tracker Dividend shall be 4% (four per cent),

- 5 1 1 2 from 1 December 2012 and thereafter, 0.5% (one half per cent) below the Bank of England base rate from time to time (calculated on a daily basis) provided that if, and for so long as, the Bank of England base rate shall fall below 1.5% (one and one half per cent), then the rate to be applied for the calculation of the Tracker Dividend shall be 1% (one per cent),

on the capital for the time being paid up or credited as paid up thereon (including any premium) to be paid half yearly on 1 June and 1 December

¹ Amended by special resolution dated 26 October 2012

each year, and on redemption of any A Tracker Shares or B Tracker Shares in respect of such A Tracker Shares or B Tracker Shares so redeemed Such dividends shall rank for payment in priority to the payment of any dividend on any other class of Shares

5 1 2 Second, in paying to the holders of the Preference Shares a preferential dividend (the "**Preference Dividend**") of such amount per annum as is equal to

5 1 2 1 at all times up to and including 28 February 2010, 2% (two per cent) above the Bank of England base rate from time to time (calculated on a daily basis), and

5 1 2 2 from 1 March 2010 and thereafter, 5% (five per cent) above the Bank of England base rate from time to time (calculated on a daily basis) provided always that if, and for so long as, the Bank of England base rate shall exceed 1 5% (one and one half per cent) the Preference Dividend shall not be calculated by reference to the Bank of England base rate but by reference to a rate agreed between the Directors and the holders for the time being of the Preference Shares (in each case, acting reasonably and in the best interests of the Company),

on the capital for the time being paid up or credited as paid up thereon (including any premium) to be paid half yearly on 1 June and 1 December each year, and on redemption of any Preference Shares in respect of such Preference Shares so redeemed Such dividends shall rank for payment in priority to the payment of any dividend on any other class of Shares except A Tracker Shares and B Tracker Shares

5 1 3 Third, in paying to the holders of the Preference Shares and the Ordinary Shares (par passu as if the same constituted one class of share) such dividend (the "**Ordinary Dividend**") as the Directors shall determine, but only to the extent that there are profits available for distribution Any Ordinary Dividend shall be paid not later than six months after the end of the relevant accounting period or within twenty eight days after the audit report on the accounts of the Company for the period is signed by the Company's auditors, whichever is earlier

5 1 4 No Ordinary Dividend shall be paid in respect of any financial year of the Company unless

5 1 4 1 all Tracker Dividends and all Preference Dividends in respect of that financial year have been paid in full or waived, and

5 1 4 2 all A Tracker Shares, all B Tracker Shares and all Preference Shares which have fallen due for redemption have been redeemed, and

5 1 4 3 there are no arrears of any other dividends, and

5 1 4 4 there are no debts due but unpaid (and not waived) in respect of any current or prior financial years of the Company, in respect of the A Tracker Shares, the B Tracker Shares or the Preference Shares, and in particular and without prejudice to the generality of the foregoing, any debts arising under Article 5 1 7

5 1 5 Every dividend shall be distributed to the appropriate shareholders pro rata according to the amounts paid up or credited as paid up on the shares held by them respectively All dividends are expressed net and shall be paid in cash

5 1 6 Each of the Tracker Dividend and the Preference Dividend shall accrue on a daily basis and shall be cumulative

5 1 7 Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying the Tracker Dividend or the Preference Dividend by the Act, each of the Tracker Dividend and the Preference Dividend shall be paid immediately on their respective due dates Such payment shall be made notwithstanding regulations 102 to 108 inclusive contained in Table A or any other provision of these Articles, and in particular notwithstanding that there has not been a resolution of the Company in general meeting If they are not paid on such due dates they shall be a debt due by the Company and shall be payable in priority to any other dividend

5 1 8 The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time and to the extent that it may lawfully do so declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of all and any Tracker Dividend or Preference Dividend or any redemption monies or debts due on or in respect of the Tracker Shares or Preference Shares

5 2 Capital

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority

5 2 1 First, in paying to the holders of the A Tracker Shares and the B Tracker Shares (pari passu as if the same constituted one class of share) the amount of the capital for the time being paid up or credited as paid up thereon (including any premium) together with a sum equal to any arrears, deficiency, or accruals of the Tracker Dividend, or any debts arising under Article 5 1 7, calculated down to the date of the return of capital,

5 2 2 Second, in paying to the holders of the Preference Shares the amount of the capital for the time being paid up or credited as paid up thereon (including any premium) together with a sum equal to any arrears, deficiency, or accruals of the Preference Dividend, or any debts arising under Article 5 1 7, calculated down to the date of the return of capital,

- 5 2 3 Third, in distributing the balance of such assets amongst the holders of the Preference Shares and Ordinary Shares (pari passu as if the same constituted one class of share) in proportion to the amounts paid up or credited as paid up (including any premium) on the Preference Shares and Ordinary Shares held by them respectively

5 3 Voting

- 5 3 1 The holders of the A Tracker Shares and the B Tracker Shares shall have the right to receive notice of, to be present and speak at and to vote, either in person or by proxy, at any general meeting of the Company if but only if

- 5 3 1 1 any resolution is proposed for the winding up of the Company, in which case the holders may only then vote on the resolution for winding up, or

- 5 3 1 2 any resolution is proposed which abrogates or varies or otherwise directly affects the special rights and privileges attaching to the A Tracker Shares or the B Tracker Shares

in which case the holders of such shares may only then vote on such resolution in the manner set out in Article 5 3 3

- 5 3 2 Neither the A Tracker Shares nor the B Tracker Shares shall confer on their holders any further voting rights. The Preference Shares shall not confer on their holders any voting rights

- 5 3 3 Where voting rights are conferred on the Tracker Shares pursuant to sub-Article 5 3 1, votes on shares may be exercised at a general meeting of the Company on a show of hands or on a poll as follows

- 5 3 3 1 on a show of hands or on a poll, the holders of the Tracker Shares (the A Tracker Shares and the B Tracker Shares being deemed to be one class of shares for this purpose) shall together have two votes and the Ordinary Shareholders shall together have two votes (on the basis that if and to the extent that there are two Ordinary Shareholders, each Ordinary Shareholder shall have one vote), and

- 5 3 3 2 voting may be exercised by a holder or holders of shares who (being an individual) is present in person or (being a corporation) is present by a representative or in either case is present by proxy²

5 4 As to priority

- 5 4 1 No further Shares ranking either as to dividend or as to capital in priority to or pari passu with the A Tracker Shares and the B Tracker Shares shall be

² Amended by special resolution dated 26 October 2012

created or issued except with the consent or sanction of the holders of such A Tracker Shares and B Tracker Shares given in the manner provided for by the Act in the case of the variation of the rights attaching to such Shares

- 5 4 2 No further Shares ranking either as to dividend or as to capital in priority to or *par passu* with the Preference Shares shall be created or issued except with the consent or sanction of the holders of such Preference Shares given in the manner provided for by the Act in the case of the variation of the rights attaching to such Shares

5 5 As to redemption

- 5 5 1 The A Tracker Shares, the B Tracker Shares and the Preference Shares shall, subject to the provisions of Part 18 of the Act, be redeemable upon and subject to the following terms and conditions, unless

5 5 1 1 in respect of the Preference Shares only, the shareholders otherwise agree in writing³, and

5 5 1 2 in respect of up to a total of 5,000,000 A Tracker Shares only, the shareholders otherwise agree in writing⁴

- 5 5 2 On, or at any time after

5 5 2 1 a Listing Date, or

5 5 2 2 a Sale Date, or

5 5 2 3 (in the case of not more than one million Preference Shares) the second anniversary of the date of adoption of these Articles, provided that at the time of redemption the distributable reserves of the Company are not less than £10,000,000 and the net assets of the Company are not less than £30,000,000, or

5 5 2 4 (in the case of all and any Preference Shares remaining in issue) the second anniversary of the date of adoption of these Articles, provided that at the time of redemption the distributable reserves of the Company are not less than £15,000,000 and the net assets of the Company are not less than £30,000,000, or

5 5 2 5 (in the case of Preference Shares) the death of any holder of any Preference Shares, or

5 5 2 6 (in the case of A Tracker Shares and B Tracker Shares) subject to article 5 5 1 2⁵ the last to occur of either (A) 1 December 2022⁶, or (B) the deaths of both John McCarthy and his wife Gwendoline McCarthy

³ Amended by special resolution dated 19 September 2013

⁴ Amended by special resolution dated 23 December 2014

⁵ Amended by special resolution dated 23 December 2014

⁶ Amended by special resolution dated 26 October 2012

(in any such case the "**Redemption Event Date**") a holder or holders of an A Tracker Share, a B Tracker Share or a Preference Share (as the case may be) shall, unless they have already exercised their conversion rights pursuant to Article 5 6, have the option, exercisable by not less than twenty eight days notice in writing ("**Redemption Event Notice**") served on the Company, to require the Company to redeem such number of A Tracker Shares, B Tracker Shares or Preference Shares as the case may be as are set out in such Redemption Event Notice whereupon the Company shall redeem all of the A Tracker Shares, B Tracker Shares or Preference Shares (as the case may be) set out in such Redemption Event Notice on or before the Redemption Event Date (provided they are fully paid) and if, in accordance with Part 18 of the Act, they shall not be capable of being redeemed by the Company as required by the Redemption Event Notice, such redemption shall be effected as soon as is possible after the A Tracker Shares, B Tracker Shares or the Preference Shares (as the case may be) shall have become capable of being redeemed In the absence of any contrary agreement between all of the A Tracker Shareholders, B Tracker Shareholders and Ordinary Shareholders, any partial redemption of A Tracker Shares, B Tracker Shares or Preference Shares (as the case may be) shall be deemed to relate to the A Tracker Shares, B Tracker Shares or Preference Shares (as the case may be) falling due for redemption in inverse order of maturity, (i.e the earliest issued falling due for redemption first) Preference Shares shall be redeemed upon payment of the par value of the Preference Shares being redeemed, together with all Preference Dividends unpaid at any time up to the Redemption Event Date, together with, in the case of a Redemption Event Date arising under any of articles 5 5 2 1, 5 5 2 2 or 5 5 2 5, (but not otherwise), a premium amounting to the aggregate of 10% (ten per cent) of the par value of the Preference Shares being redeemed A Tracker Shares and B Tracker Shares shall be redeemed upon payment of the aggregate of

- (a) the par value of the A Tracker Shares or B Tracker Shares (as the case may be) being redeemed, and
- (b) a premium (the "**Tracker Premium**") amounting to the aggregate of 10% (ten per cent) of the par value of the A Tracker Shares or B Tracker Shares (as the case may be) being redeemed and additional interest at the rate of 2% (two per cent) per annum accruing on a daily basis commencing
 - (i) in the case of the A Tracker Shares, on the eighth anniversary of the date of adoption of these Articles, and
 - (ii) in the case of the B Tracker Shares, 1 December 2017

such interest being payable on the par value of the A Tracker Shares or B Tracker Shares (as the case may be) being redeemed

("Tracker Redemption Amount")

5 5 3 The Company shall have the option, exercisable

5 5 3 1 in the case of the A Tracker Shares, on or at any time after the eighth anniversary of the date of adoption of these Articles, and

5 5 3 2 in the case of the B Tracker Shares, on or at any time

to redeem any or all of the A Tracker Shares or B Tracker Shares (as the case may be) (in tranches of not less than the lesser of (i) £2,000,000 par value and (n) the aggregate nominal amount of all of the A Tracker Shares or the B Tracker Shares being redeemed in issue) upon payment of the Tracker Redemption Amount In order to exercise such option, the Company shall serve not less than twenty eight days notice in writing ("**Company Redemption Notice**") on the holder or holders of such Tracker Shares whose Tracker Shares are to be redeemed specifying the number of Tracker Shares to be redeemed, the Tracker Redemption Amount payable thereon and the proposed date of such redemption ("**Company Tracker Redemption Date**")

5 5 4 On the Redemption Event Date or the Company Tracker Redemption Date (as the case may be) ("**Redemption Date**"), the registered holders of the A Tracker Shares, B Tracker Shares or Preference Shares (as the case may be) to be redeemed shall be bound to deliver up to the Company the relevant certificates for cancellation, and the Company shall pay to them the redemption monies as set out in Article 5 5 2 or Article 5 5 3 (as the case may be) in respect of such A Tracker Shares, B Tracker Shares or Preference Shares together with any arrears, deficiency or accruals of the Tracker Dividend or the Preference Dividend (as the case may be), and any debts arising under Article 5 1 7 calculated to the Redemption Date In the absence of any direction to the contrary by the holder of the relevant A Tracker Shares, B Tracker Shares or Preference Shares, any monies paid on redemption of such A Tracker Shares, B Tracker Shares or Preference Shares shall relate first to the said arrears, deficiency, accruals or debts

5 5 5 If any certificate surrendered pursuant to Article 5 5 4 includes any A Tracker Shares, B Tracker Shares or Preference Shares not liable to be redeemed at that time the Company shall issue to the holder a fresh certificate for the balance of the A Tracker Shares, B Tracker Shares or Preference Shares not so liable to be redeemed

5 5 6 Upon redemption of any of the Preference Shares, Preference Dividends shall cease to accrue on such Preference Shares except in respect of any Preference Share in respect of which, on due presentation of the certificate or certificates (or an indemnity in respect thereof in a form reasonably satisfactory to the Company), the Company shall have failed to tender payment to redeem such Preference Share

5 5 7 Upon redemption of any of the A Tracker Shares or the B Tracker Shares, Tracker Dividends shall cease to accrue on such A Tracker Shares or B Tracker Shares (as the case may be) except in respect of any Tracker Share in respect of which, on due presentation of the certificate or certificates (or an indemnity in respect thereof in a form reasonably satisfactory to the

Company) the Company shall have failed to tender payment to redeem such A Tracker Share or B Tracker Share (as the case may be)

5 5 8 If any holder of A Tracker Shares, B Tracker Shares or Preference Shares shall fail or refuse to surrender the certificate or certificates for such A Tracker Shares, B Tracker Shares or Preference Shares or shall fail or refuse to accept the redemption monies payable in respect of them, such redemption monies shall be retained and held by the Company in trust for such holder but without interest or further obligation whatever

5 5 9 No A Tracker Shares, B Tracker Shares or Preference Shares shall be redeemed otherwise than out of distributable profits or the proceeds of a fresh issue of Shares made for the purposes of redemption or out of capital to the extent permitted by the Act

5 5 10 No A Tracker Shares, B Tracker Shares or Preference Shares redeemed by the Company shall be capable of reissue and, on redemption of any A Tracker Shares, B Tracker Shares or Preference Shares (as the case may be), the Directors may convert the authorised share capital created as a consequence of such redemption into Shares of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of a like nominal amount (as nearly as may be) as the Shares of such class then in issue or into unclassified Shares of the same nominal amount as the A Tracker Shares, B Tracker Shares or the Preference Shares (as the case may be)

5 6 As to conversion

5 6 1 The Preference Shares shall be convertible into Ordinary Shares upon and subject to the following terms and conditions

5 6 1 1 immediately prior to but conditional upon a Listing or Sale, a Preference Shareholder shall have the option to convert all (but not some only) of his Preference Shares into Ordinary Shares,

5 6 1 2 the Company shall serve notice in writing on each Preference Shareholder as soon as practicable to the effect that a Sale or Listing is proposed, as the case may be,

5 6 1 3 if Preference Shareholders wish to exercise their option to convert their Preference Shares into Ordinary Shares, they must do so by serving notice in writing on the Company on or within 7 days of the date of receipt of the written notice referred to in sub-Article 5 6 1 2 together with the certificates in respect of their holdings of all such Shares,

5 6 1 4 the conversion of Preference Shares pursuant to this sub-Article 5 6 1 shall be subject to payment by the Company of all arrears and accruals of all dividends payable on such Shares to be converted, calculated up to and including the Sale Date or Listing Date as the case may be,

- 5 6 1 5 each Preference Share shall be converted into one Ordinary Share,
 - 5 6 1 6 forthwith upon the conversion of Preference Shares pursuant to this sub-Article 5 6 1, the Company shall issue to each Preference Shareholder certificates for the Ordinary Shares resulting from the conversion,
 - 5 6 1 7 the Ordinary Shares resulting from the conversion shall as from the date of conversion rank *par passu* in all respects with the existing Ordinary Shares in the capital of the Company
- 5 6 2 The Tracker Shares shall be convertible into Ordinary Shares upon and subject to the following terms and conditions
- 5 6 2 1 immediately prior to but conditional upon an Official Listing, a Tracker Shareholder shall have the option to convert all (but not some only) of his Tracker Shares into Ordinary Shares,
 - 5 6 2 2 the Company shall serve notice in writing on each Tracker Shareholder as soon as practicable to the effect that an Official Listing is proposed, as the case may be,
 - 5 6 2 3 if Tracker Shareholders wish to exercise their option to convert their Tracker Shares into Ordinary Shares, they must do so by serving notice in writing on the Company on or within 7 days of the date of receipt of the written notice referred to in sub-Article 5 6 2 2 together with the certificates in respect of their holdings of all such Shares,
 - 5 6 2 4 the conversion of Tracker Shares pursuant to this sub-Article shall be subject to payment by the Company of all arrears and accruals of all dividends payable on such Shares to be converted, calculated up to and including the Listing Date in respect of the Official Listing,
 - 5 6 2 5 each Tracker Share shall be converted into one Ordinary Share,
 - 5 6 2 6 forthwith upon the conversion of Tracker Shares pursuant to this sub-Article 5 6 2, the Company shall issue to each Tracker Shareholder certificates for the Ordinary Shares resulting from the conversion,
 - 5 6 2 7 the Ordinary Shares resulting from the conversion shall as from the date of conversion rank *par passu* in all respects with the existing Ordinary Shares in the capital of the Company

5 7 General

Save as aforesaid, neither the A Tracker Shares nor the B Tracker Shares nor the Preference Shares shall confer any further rights to vote or to participate in the profits or assets of the Company

6 **LIEN**

Regulation 8 of Table A shall be modified so that the lien conferred therein shall attach also to fully paid-up shares and so that the Company shall also have a first and paramount lien on all Shares whether fully paid or not standing registered in the name of any person indebted or under liability to the Company whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all monies presently payable by him or his estate to the Company

7 **CALLS**

The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of Regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment"

8 **TRANSFERS OF SHARES**

8 1 No member shall dispose of any interest in or right attaching to or renounce or assign any right to receive or subscribe for any Share or create or permit to exist any charge lien encumbrance or trust over any Share or agree to do any such things except as permitted by these Articles

8 2 If a member at any time attempts to deal with or dispose of a Share or any interest therein or right attaching thereto otherwise than as permitted by these Articles he shall be deemed immediately prior to such attempt to have given a Transfer Notice in respect of such Share ("**Deemed Transfer Notice**")

8 3 The Directors shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles but (subject to Regulation 24 of Table A) shall not otherwise be entitled to refuse to register any transfer of Shares For the purpose of ensuring that a particular transfer of Shares is permitted hereunder the Directors may require the transferor or the person named as transferee in any transfer lodged for registration to give the Company such information and evidence as the Directors may think necessary or relevant Failing such information or evidence being given to the satisfaction of the Directors within a period of 28 days after such request, the Directors shall be entitled to refuse to register the transfer in question

8 4 If any member becomes aware of any event which is deemed to give rise to an obligation to serve a Transfer Notice he shall forthwith give written notice thereof to the Directors

9 **PERMITTED TRANSFERS**

9 1 in this Article

9 1 1 "**Privileged Relation**" means in relation to any member

- 9 1 1 1 any person who is or has been married to that member and any lineal descendant, step-child or adopted child of that member or of any person who is or has been married to that member, and
- 9 1 1 2 where that member is Spencer John McCarthy ("**SJM**"), his brother, Clinton James McCarthy ("**CJM**") and, where that member is CJM, his brother, SJM, and
- 9 1 2 "**Family Trust**" means in relation to any member any trust (whether arising on a settlement inter vivos or a testamentary disposition made by or on an intestacy of that member or any other person) under which no immediate beneficial interest in any Share is for the time being vested in any person other than that member or a Privileged Relation of that member and no right of voting conferred by any share is for the time being exercisable by or subject to the consent of any person other than the trustees or that member or a Privileged Relation of that member
- 9 2 Notwithstanding any other provisions of these Articles, a member (or other person entitled to transfer a Share registered in the name of a member) may at any time transfer (or by will bequeath or otherwise dispose of on death) any Share
 - 9 2 1 to a Privileged Relation of that member, or
 - 9 2 2 to a nominee of that member or, if the member is a nominee for any other person, to that person or to another nominee for that person,
 - 9 2 3 to trustees to be held upon a Family Trust of that member, or, in the case of trustees of a Family Trust, to any beneficiary of such Trust,
 - 9 2 4 in the case of trustees of a Family Trust of any member, to that member or to any person to whom that member could have transferred the Share if he were the holder thereof, and, on a change of trustees for the time being of the Family Trust, to the new trustees of the Family Trust,
 - 9 2 5 to the Company subject to and in accordance with Part 18 of the Act

provided that where any such transfer as aforesaid is to be made to a Privileged Relation falling within Article 9 1 1 2 or to a Family Trust under which no immediate beneficial interest in Shares is for the time being vested in a Privileged Relation, to Privileged Relations falling within Article 9 1 1 2 or to the Company, the number of Ordinary Shares that may be so transferred under this Article 9 2 by a member (or other person entitled to transfer a Share registered in the name of a member) as aforesaid shall not exceed 10% (ten per cent) of the issued Ordinary Share capital of the Company as at the time of such transfer
- 9 3 If any Employee Member ceases to be a director or employee of the Company or any of its subsidiaries (other than, where such Employee Member is SJM or a member who is his Nominee Director or where such Employee Member is CJM or a member who is his Nominee Director, his

death) and does not continue in that capacity in relation to any of them, Transfer Notices shall be deemed to have been served on the relevant Termination Date in respect of

- 9 3 1 all Shares held by the Employee Member immediately before such cessation, and
- 9 3 2 all Shares then held by the Employee Member's Privileged Relations and/or Family Trusts (other than Shares which the Directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Employee Member or (n) by reason of their connection with the Employee Member, and the decision of the board of Directors in this respect will be final)

Transfers under this sub-Article 9 3 are in these Articles referred to as Compulsory Employee Transfers

10 **PRE-EMPTION RIGHTS**

- 10 1 Save as otherwise provided in these Articles every member who desires to transfer any Shares (hereinafter called the "**Vendor**") shall give to the Company notice in writing of such desire (in these Articles called a "**Transfer Notice**") Where the Transfer Notice is deemed to have been given it is referred to as a Deemed Transfer Notice Transfer Notices and Deemed Transfer Notices shall constitute the Company the Vendor's agent for the sale of the Shares specified therein (hereinafter called the "**Sale Shares**") in one or more lots at the discretion of the Directors at the Sale Price
- 10 2 Subject to Article 6, the Sale Price shall be the price agreed by the Vendor and the Directors If the Vendor and the Directors are unable to agree a price within 28 days of the Transfer Notice being given or being deemed to have been given the Sale Price will instead be the price which the Independent Expert shall certify to be in his opinion a fair value thereof In arriving at his opinion the Independent Expert will value the Shares on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction The decision of the Independent Expert as to the Sale Price shall be final and binding In the case of Compulsory Employee Transfers where the Employee Member is a Bad Leaver the Sale Price shall be restricted to a maximum of the original subscription price of the Sale Shares
- 10 3 A Transfer Notice (but not a Deemed Transfer Notice) may contain a condition (a "**Total Transfer Condition**") that unless all the shares comprised therein are sold by the Company pursuant to this Article none shall be sold Any such provision shall be binding on the Company
- 10 4 If the Independent Expert is asked to establish the fair value his report shall be delivered to the Company As soon as the Company receives the report it shall deliver a copy of it to the Vendor The Vendor shall be entitled by notice in writing given to the Company within ten days of the service upon him of the

copy report to cancel the Company's authority to sell the Sale Shares unless the shares are to be sold pursuant to a Deemed Transfer Notice. The cost of obtaining the report shall be paid by the Company unless the Vendor cancels it in which case the Vendor shall bear the cost.

- 10.5 Once the Sale Price has been determined then unless the Vendor gives a valid notice of cancellation the Sale Shares shall be offered for sale as set out below. All offers made by the Company shall give details of the number and Sale Price of the Sale Shares.
- 10.6 As soon as Sale Shares become available they shall be forthwith offered for sale by the Company as follows:
- 10.6.1 in the case of A Tracker Shares and B Tracker Shares, the Company shall be entitled to purchase any or all of such A Tracker Shares or B Tracker Shares (as the case may be),
- 10.6.2 in the case of Preference Shares, these shall be offered for sale to all holders of Preference Shares (other than the Vendor) pro rata as nearly as may be to the respective numbers of Preference Shares held by such members,
- 10.6.3 in the case of Ordinary Shares, these shall be offered for sale to all holders of Preference Shares pro rata as nearly as may be to the respective numbers of Preference Shares held by such members.

Any offer made by the Company under this sub-Article will invite the relevant members or the Company as the case may be to state in writing the maximum number of the Shares offered to them they wish to purchase and will remain open for 21 days (the "**First Offer Period**").

- 10.7 If at the end of the First Offer Period there are any Sale Shares offered which have not been allocated, the Company shall offer such Shares within the relevant class of Shares to such members as have stated in writing their willingness to purchase all the Shares previously offered to them, and shall offer any A Tracker Shares and B Tracker Shares still available, to the holders of Preference Shares pro rata as nearly as may be to the respective numbers of Preference Shares held by such members.

This offer will invite the relevant members to state in writing the maximum number of Shares they wish to purchase, if there are insufficient Sale Shares to meet the demand then the Directors will allocate the Sale Shares pro rata as nearly as may be in proportion to the number of Preference Shares held or deemed to be held by the relevant members. This further offer will remain open for a further period of twenty one days (the "**Second Offer Period**").

- 10.8 If at the end of the Second Offer Period there are any Sale Shares which have not been allocated the Company may purchase any or all of such Sale Shares, and the Company shall state in writing to the Vendor within 21 days from the end of the Second Offer Period whether it intends to purchase any of such Sale Shares and if so the number of Sale Shares it intends to purchase. This offer will remain open for a period of 21 days (the "**Third Offer Period**").

- 10 9 If at the end of the Third Offer Period there are any Sale Shares which have not been allocated the Company will offer such Shares to all holders of Ordinary Shares pro rata as nearly as may be to the respective numbers of Ordinary Shares held by such members This offer will remain open for a period of 21 days (the "**Fourth Offer Period**")
- 10 10 If at the end of the Fourth Offer Period there are any Sale Shares which have not been allocated the Company will offer such Shares to all holders of Tracker Shares pro rata as nearly as may be to the respective numbers of Tracker Shares held by such members This offer will remain open for a period of 21 days (the "**Fifth Offer Period**")
- 10 11 If at the end of the Fifth Offer Period there are any Sale Shares which have not been allocated the Company shall offer such Shares to such members as have stated in writing their willingness to purchase all the Shares previously offered to them Such remaining Shares shall be offered pro rata as nearly as may be to the respective numbers of Ordinary Shares or Preference Shares (as the case may be) then held by such members which offer shall remain open for a sixth period of 21 days

Thereafter the Company shall continue to make offers on the same terms while any member continues to state in writing his willingness to purchase all Shares offered to him

- 10 12 If the Company finds a purchaser for all or any of the Sale Shares under the terms of this Article the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons If the Vendor defaults in transferring Sale Shares the Company shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the Sale Shares as shall have been transferred to them
- 10 13 If the Company does not, within ninety days after the final offer by the Company to its members, find purchasers for all of the Sale Shares under the terms of this Article, the Vendor shall at any time within a further period of 90 days thereafter be free to sell and transfer such of the Sale Shares as have not been so sold to any person at a price which is no less than the Sale Price However if the Sale Shares were the subject of a Total Transfer Condition such a sale may only be made of all the Shares and not part only
- 10 14 In the event that the purchaser of any Shares under the provisions of this Article 10 shall be an existing or previous holder of Preference Shares, such purchaser may at his discretion nominate in writing, addressed to the Company and the Vendor, that the Sale Price shall be payable to the Vendor as to 10% (ten per cent) thereof upon transfer to the purchaser of such Shares, and as to the remaining 90% (ninety per cent) thereof in nine further equal instalments payable on the first anniversary of such transfer and each

subsequent anniversary until the ninth such anniversary, PROVIDED THAT if such nomination shall be made, so that the Sale Price shall be payable by such instalments, then

- 10 14 1 the Company shall procure that no later than the fifth anniversary of the original such transfer, the Sale Price shall be revalued by an Independent Expert acting in accordance with Article 10 2 who shall certify what in his opinion is a fair value for the Sale Price as at a date no earlier than 30 days prior to such fifth anniversary and no later than the date of such fifth anniversary and the remaining amounts payable for such Shares, from the said fifth to ninth anniversaries inclusive, shall be increased or reduced as the case may be (but not with retrospective effect) such that only the proportion of the Sale Price then remaining unpaid shall be payable in accordance with such revaluation and such adjusted amount shall be divided into five equal instalments and paid on each such anniversary from the fifth to the ninth inclusive, and
- 10 14 2 the Sale Price (subject to adjustment pursuant to Article 10 14 1) shall also bear interest at the rate of 1% (one per cent) per annum above the Bank of England base rate from time to time, (calculated on a daily basis), which shall be payable upon the payment of instalments of the Sale Price in accordance with this Article 10 14
- 10 15 Any purported transfer of Shares otherwise than in accordance with the provisions of these Articles shall be void and have no effect
- 10 16 No sale or transfer of the legal or beneficial interest in any Shares in the Company may be made or validly registered if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained in the Company by a company in which one or more of the members of the Company (or persons acting in concert with them) has a Controlling Interest
- 10 17 An obligation to transfer a Share under the provisions of this Article 10 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance
- 10 18 The provisions of this Article 10 may be waived in whole or in part in any particular case with the prior written consent of all the members

11 PROCEEDINGS AT GENERAL MEETINGS

- 11 1 No business shall be transacted at any general meeting of the Company unless a quorum of members entitled to vote is present at the commencement of the business and also when such business is voted upon Two members entitled to vote present in person or by proxy or by a duly authorised representative shall be a quorum Regulation 40 of Table A shall not apply
- 11 2 Regulation 41 shall be read as if the words "and if at the adjourned meeting a quorum is not present within half an hour from the time appointed therefore,

or if during the meeting a quorum ceases to be present, such adjourned meeting shall be dissolved" were added to the end thereof

- 11 3 An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a Director or the secretary thereof or by its duly appointed attorney or duly authorised representative
- 11 4 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting
- 11 5 At each meeting of the members the acting chairman of the Company shall be the chairman of the meeting Each chairman shall be appointed at the commencement of each such meeting and shall automatically vacate office at the next meeting following his appointment
- 11 6 The chairman of a general meeting shall not be entitled to a second or casting vote Regulation 50 shall not apply

12 **VOTES OF MEMBERS**

- 12 1 The Ordinary Shares shall confer on their holders voting rights Subject as provided below in this Article and to any other special rights or restrictions as to voting for the time being attached to any Shares by or in accordance with these Articles, on a show of hands every member entitled to vote present in person shall have one vote and on a poll every member entitled to vote shall have one vote for each Ordinary Share of which he is the holder
- 12 2 In the event that any Shares have been transferred pursuant to Article 9 the transferee of such Shares shall not be entitled to vote, either by a show of hands or on a poll
- 12 3 Regulation 54 shall not apply

13 **APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 13 1 The Directors shall not be subject to retirement by rotation and accordingly regulations 73 to 75 shall not apply and all other references in the regulations to retirement by rotation shall be disregarded
- 13 2 No Director shall be appointed otherwise than as provided in these Articles Regulations 76 to 80 shall not apply

14 **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

Regulation 81 shall be modified by deleting paragraph (e) thereof The office of a Director shall also be vacated if he shall be removed from office as hereinbefore provided

15 REMUNERATION OF DIRECTORS

The ordinary remuneration of the Directors shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree or failing agreement equally except that any director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office Regulation 82 shall not apply

16 PROCEEDINGS OF DIRECTORS

16 1 The quorum for the transaction of business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be three, to include at least one non-executive Director A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum

16 2 In the event that at any duly convened meeting of the Directors or of any committee of the Directors the meeting is not so quorate, or if during the meeting such a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day, and at such other time and place as the Directors may agree in writing) and at such adjourned meeting, the quorum shall be two

16 3 A member of the board of Directors may participate in a meeting of the Directors or the committee by means of telephonic or any similar communication equipment A participant shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is

16 4 At each meeting of the board of Directors the acting chairman of the Company shall be the chairman of the board of Directors

16 5 The chairman of the board of Directors shall not be entitled to a second or casting vote Regulation 88 shall be modified accordingly

16 6 Unless otherwise agreed in writing by the Directors in any particular case at least seven clear days' notice in writing shall be given to each Director of every meeting of the Directors

16 7 Regulation 111 shall be read as if the words "except that a notice calling a meeting of the directors need not be in writing" were deleted therefrom

16 8 Each such notice shall be sent

16 8 1 to the address notified from time to time by each Director to the secretary (or if there is none at that time to the chairman) as his

address for the service of such notices (or if no address has been supplied to his last known address),

16 8 2 contain an agenda specifying in reasonable detail the matters to be discussed at such meeting, and

16 8 3 be accompanied by any relevant papers for discussion at such meeting

16 9 Any such notice may be delivered personally or by first class prepaid letter or by fax or e-mail and shall be deemed to have been served if by delivery when delivered and if sent by first class letter two working days after posting, and if sent by fax, on completion of its successful transmission to the correct fax number, and if sent by e-mail, when sent to the correct e-mail address

16 10 Except as may be agreed by the Directors in any particular case no business or resolution shall be transacted or passed at any meeting of the Directors except as was fairly disclosed in the agenda for such meeting

16 11 Appropriate complete minutes of each meeting of the Directors shall be maintained by the Company and copies thereof distributed to the Directors as soon as reasonably practicable after the meeting shall have been held

17 DIRECTORS' DECLARATION OF INTERESTS

17 1 A Director who is in any way, whether directly or indirectly interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement in accordance with the Act

17 2 A Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 17 1

17 3 Subject, where applicable, to the disclosures required under Article 17 1 and Article 17 2, and to any terms and conditions imposed by the Directors in accordance with Article 17A, a Director shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the Company in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present

17 4 A Director need not declare an interest under Article 17 1 and Article 17 2 as the case may be

17 4 1 if it cannot reasonably be regarded as likely to give rise to a conflict of interest,

17 4 2 of which the Director is not aware, although for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware,

17 4 3 if, or to the extent that, the other Directors are already aware of it, and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware, or

17 4 4 if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a board meeting

17A DIRECTORS' POWERS TO AUTHORISE CONFLICTS OF INTEREST

17A 1 The Directors may, in accordance with the requirements set out in this Article 17A, authorise any matter 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 ('**Conflict**')

17A 2 Any authorisation under this Article will be effective only if

17A 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,

17A 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

17A 2 3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted

17A 3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently)

17A 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorised,

17A 3 2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine,

17A 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

17A 4 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 and in respect of which he owes a duty of confidentiality to another person the Director is under no obligation to

17A 4 1 disclose such information to the Directors or to any Director or other officer or employee of the Company,

17A 4 2 use or apply any such information in performing his duties as a Director,

17A 4 3 where to do so would amount to a breach of that confidence

17A 5 Where the Directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the Director

17A 5 1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict,

17A 5 2 is not given any documents or other information relating to the Conflict,

17A 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 the Conflict

17A 6 Where the Directors authorise a Conflict

17A 6 1 the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict,

17A 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

17A 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

18 **BORROWING POWERS**

Subject to unanimous agreement, the Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit and subject (in the case of any security convertible into Shares) to Section 549 of the Act to grant any mortgage charge or security over its undertaking property and uncalled capital or any part thereof and to issue debentures debenture stock and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party

19 **SECRETARY**

Subject to the provisions of the Act the secretary shall be appointed by the Directors for such term at such remuneration and upon such conditions as they may think fit and any secretary so appointed may be removed by them If

at any time there shall be no secretary or for any reason no secretary capable of acting the Directors may appoint an assistant or deputy secretary

20 ACCOUNTS AND INFORMATION

Every member shall be entitled either by himself or through his agents duly authorised in writing during the Company's normal hours of business to inspect and take copies of the books of account and all other records and documents of the Company on giving not less than two working days written notice to any Director The Company shall give each such member all such facilities as he may reasonably require for such purposes including the use of copying facilities The Company may make a reasonable charge for any copies taken but otherwise shall not charge for any facilities requested as aforesaid Regulation 109 shall not apply

21 NOTICES

Notice of every general meeting shall be given in manner authorised by Table A to every member except those members who are by these Articles disentitled from receiving such notices and those members who (having no registered address within the United Kingdom) have not supplied to the Company any address within the United Kingdom for the giving of notices to them and shall also be given to the Directors and auditors

22 INDEMNITY AND INSURANCE

22 1 Subject to the provisions of and so far as may be permitted by law, every Director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs charges losses expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court Regulation 118 shall not apply

22 2 The Company may purchase and maintain for any officer or auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence default breach of duty or breach of trust of which he may be guilty in relation to the Company

23 OVERRIDING PROVISIONS

Where the approval agreement or consent of any member or Director is required under any provision of these Articles to any particular matter such approval agreement or consent may be given subject to such terms and conditions as that member or Director may require and any breach of such

terms and conditions shall ipso facto be deemed to be a breach of these Articles