

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

OF

PREMIER CHILDREN SERVICES LIMITED
(the "Company")

FRIDAY



A20 07/11/2014 #218
COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the directors of the Company propose that the following resolutions (the "Resolutions") be passed as ordinary and special resolutions of the Company

ORDINARY RESOLUTION

- 1 **THAT**, with effect from the passing of resolution 2 below
- 1.1 each of the 100 A ordinary shares of £1 each in the capital of the Company be sub-divided into 10,000 A ordinary shares of £0.01, each having the rights and being subject to the obligations set out in the New Articles (defined below), and
- 1.2 1,050 A ordinary shares of £0.01 each in the capital of the Company be reclassified into 1,050 B ordinary shares of £0.01, each having the rights and being subject to the obligations set out in the New Articles (defined below)

SPECIAL RESOLUTION

2. **THAT**, with effect from the passing of this resolution the regulations attached to this resolution are approved and be adopted as the articles of association of the Company (the "New Articles") in substitution for and to the exclusion of all existing articles of association of the Company and furthermore that any and all variations of the rights attaching to each class of shares in the capital of the Company being effected by virtue of the adoption of the New Articles be approved

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, being the sole member entitled to vote on the Resolutions on 7 October 2014 (the "Circulation Date") hereby irrevocably agrees to the Resolutions

Name of member	Signature of member	Date of signature
Loroton Investments Limited	 Director For and on behalf of Loroton Investments Limited	7 October 2014

NOTES

- 1 If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company by hand or post to The Directors, Premier Children Services Limited, Holland House, 1-5 Oakfield, Sale, Cheshire, United Kingdom, M33 6TT
- 2 If you do not agree to the Resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply
- 3 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement
- 4 Unless, within 28 days beginning with the Circulation Date, sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date

Company number 8074080

PREMIER CHILDREN SERVICES LIMITED

ARTICLES OF ASSOCIATION

adopted on 7 October 2014



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Company number: 8074070

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF
PREMIER CHILDREN SERVICES LIMITED

1 Interpretation

1.1 In these Articles, the following words and expressions shall have the following meanings unless the context otherwise requires

"3 Year Loan Notes"	the £3,083,000 fixed rate secured loan notes 2016 constituted by the 3 Year Loan Note Instrument,
"3 Year Loan Note Instrument"	the loan note instrument issued by the Company dated 2013 constituting the 3 Year Loan Notes,
"5 Year Loan Note Instrument"	The loan note instrument issued by the Company dated 2013 constituting the 5 Year Loan Notes,
"5 Year Loan Notes"	the £22,000,000 fixed rate secured loan notes 2018 constituted by the 5 Year Loan Note Instrument,
"A Shares"	the A ordinary shares of £0.01 each in the capital of the Company,
"A Shareholder"	a holder of the A Shares from time to time,
"A Shareholder Majority"	the holders of the majority in number of the A Shares from time to time,
"Act"	the Companies Act 2006,
"Adoption Date"	the date of the adoption of these Articles,
"Bad Leaver"	a B Shareholder who ceases to be an employee and/or director of the Company and who is not a Good Leaver,
"Board"	the board of directors of the Company from time to time,
"B Shareholder"	a holder of B Shares from time to time,
"B Shares"	the B ordinary shares of £0.01 each in the capital of the Company,
"Business Day"	a day other than a Saturday or Sunday or public holiday in England,
"Director"	a director appointed by the A Shareholders in accordance with

	Article 5 3,
"Directors"	the directors for the time being of the Company or a quorum of such directors present at a duly convened meeting of the directors,
"Disposal"	the sale of the whole or substantially the whole of the undertaking or assets of the Company,
"Eligible Director"	a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter),
"Exit"	the earlier to occur of <ul style="list-style-type: none"> (a) the date and time at which an agreement for a Disposal is completed, or (b) the date and time at which an agreement for a Sale is completed, or (c) the date and time at which a Listing takes place,
"Group"	in relation to any undertaking, its holding company (if any) and its subsidiaries (if any) and references to a "Group Company" shall be construed accordingly,
"Good Leaver"	a B Shareholder <ul style="list-style-type: none"> (a) who ceases to be a consultant, employee and or/director of the Company for any reason (other than the fraud or summary dismissal of the B Shareholder) on or after the Redemption Date, or (b) whom the Board, (excluding the Interested Director) and with the consent of the A Shareholder Majority, shall determine is a Good Leaver
"Interested Director"	as defined in clause 7 1,
"Insolvency Proceeding"	where <ul style="list-style-type: none"> a) any person stops or suspends payment of any of its debts, or is unable to, or admits its inability to, pay its debts as they fall due, b) any person suspends or ceases or threatens to suspend or cease to carry on their business, c) any person commences negotiations, or enters into any composition or arrangement, with one or more of its creditors with a view to rescheduling any of its indebtedness (because of actual or anticipated financial difficulties), d) possession is taken by an encumbrancer or a receiver, trustee, administrator or similar officer is appointed of the whole or a substantial part of any of the person's undertaking or property or any other steps are taken to

enforce any encumbrance over all or any part of their assets,

- e) a distress, attachment, execution, expropriation, sequestration or other legal process is levied, enforced or sued out on, or against, any of the person's assets which is not discharged or stayed within 30 days,
- f) in relation to a company or limited liability partnership
 - i) any petition is presented or other step is taken for the purpose of its winding up or an order is made or resolution passed for its winding up or a notice is issued convening a meeting for the purpose of passing any such resolution, or
 - ii) it receives from any person a notice of intention to appoint an administrator (under Schedule B1 Insolvency Act 1986), it requests the appointment of an administrator, an application is made for the appointment of an administrator, or a petition is presented for an administration order,
- g) in relation to an individual or a partner in a partnership
 - i) a petition is presented or an order is made for his bankruptcy or sequestration, or
 - ii) trust deed is granted for his creditors,
 - iii) in relation to a partnership a petition is presented or an order is made for the winding up or administration of the partnership,

"Loan Notes"

the 3 Year Loan Notes and the 5 Year Loan Notes,

"Listing"

the admission of all or any part of the share capital of the Company to the Official List of the London Stock Exchange plc or the admission of the same to trading on the Alternative Investment Market or any other trading facility or recognised investment exchange (as defined in the Financial Services and Markets Act 2000),

"Member"

a Shareholder,

"Model Articles"

the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229),

"Noteholders"

the holder for the time being of a Loan Note,

"Prescribed Period"

the period commencing on the Notice Date (as defined in Article 14 5) and ending on the last day of either the First Offer Period, the Second Offer Period or the Third Offer Period in accordance with Articles 14 7, 14 8 or 14 9 (as applicable),

"Redemption Date"

the date on which all of the Loan Notes are redeemed and repaid in full,

"Relevant Shares"	means, in relation to an A Shareholder or a B Shareholder, any shares for the time being held by that A Shareholder or B Shareholder (as applicable),
"Sale"	the making of one or more agreements (whether conditional or not) for the disposal, transfer, purchase, subscription or renunciation of any part of the share capital of the Company giving rise to a Change of Control and for the purposes of this definition "disposal" shall mean a sale, transfer, assignment or other disposition whereby a person ceases to be the absolute beneficial owner of the share in question or voting rights attached thereto or an agreement to enter into such disposal or the grant of a right to compel entry into such an agreement,
"Shareholder"	a registered holder for the time being of Shares,
"Shareholders Agreement"	the shareholders agreement dated on or around the Adoption date between the Members at the Adoption Date and the Company (as amended, varied or supplemented from time to time),
"Shares"	the A Shares and/or the B Shares (as applicable),
"Termination Date"	as defined in clause 15 6,
"Third Party Purchaser"	an individual or body corporate not being a Member or an "associate" (within the meaning of section 435 Insolvency Act 1986) of a Member,
"Transfer Notice"	a notice in accordance with Article 14 2 that a Member desires to transfer his Shares, and
"Valuers"	a firm of chartered accountants agreed between the Proposing Transferor (as defined in Article 14 2) and the Directors or, in default of agreement within 10 Business Days of the first name being proposed by either of them, as appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Proposing Transferor or the Directors

1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company

1 3 In these Articles a reference to

1 3 1 **"holding company"** and **"subsidiary"** shall have the meaning given to them in section 1159 of the Act and the term **"group undertaking"** shall have the meaning given to it in section 1161 of the Act provided that for the purposes of these Articles (and for the interpretation of section 1159(1)(b) and (c) of the Act as applied herein, a company (the **"first company"**) shall be deemed to be a member of another company (the **"second company"**) in the circumstances where section 112 of the Act apply or if (i) any shares in the second company are held by a person acting on behalf of the first company or any of its subsidiaries and/or (ii) if any shares in the second company are registered in the name of a person holding the same security in connection with the provision of financial facilities to the first company,

- 1 3 2 a person includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists), and
- 1 3 3 "**these Articles**" is to these articles of association (including the provisions of the Model Articles incorporated therein), and a reference to an article is to an article of these Articles, in each case as amended from time to time in accordance with the terms of these Articles and the Act
- 1 4 The contents table and headings in these Articles are for convenience only and do not affect their interpretation
- 1 5 Words importing the singular include the plural and vice versa and words importing a gender include every gender
- 1 6 Any question as to whether a person is "**connected with**" another shall be determined in accordance with sections 1122 and 1123 of the Corporation Tax Act 2010 (except that in construing section 1122 "**control**" has the meaning given by section 1124 or section 450 and 451 of that Act so that there is control whenever section 1124 or 450 and 451 requires) which shall apply in relation to these Articles as it applies in relation to that Act
- 1 7 Save as expressly provided otherwise in these Articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force
- 1 8 The Contracts (Rights of Third Parties) Act 1999 shall not apply to any rights under these Articles
- 2 Model Articles**
- 2 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation
- 2 2 Articles 6(2), 9(1), 11 to 14 (inclusive), 16, 22, 26(5), 27 to 29 (inclusive), 36, 38, 43, 44(2), 49 and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company
- 2 3 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur"
- 2 4 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"
- 3 Directors' meetings**
- 3 1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with Article 4
- 3 2 Subject as provided in these Articles, the Directors may participate in Directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit
- 3 3 All decisions made at any meeting of the Directors or of any committee of the Directors shall be made only by resolution, and no such resolution shall be passed unless there is a majority vote for it Each Director has one vote at a meeting of Directors

3 4 Any Director or his alternate may validly participate in a meeting of the Directors by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall be counted in a quorum and entitled to vote. Such a meeting shall be deemed to take place at the location where the chairman appointed for the meeting is located.

3 5 The provisions of Article 5.1 shall apply equally to meetings of any committee of the Directors as to meetings of the Directors.

4 Decisions of Directors

4 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.

4 2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.

4 3 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter.

4 4 The chairman of Directors' meetings shall not have a casting vote.

4 5 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.

5 Number of Directors and quorum

5 1 The minimum number of Directors shall be two and there shall be no maximum.

5 2 The Directors shall not be subject to retirement by rotation.

5 3 The A Shareholder Majority shall have the right to

5 3 1 appoint any two persons to be Directors to the Board (and to any committee of the Board) and to remove any such Directors so appointed and to appoint other Directors in their place (to the exclusion of the B Shareholders), and

5 3 2 approve any service contract in relation to a Director (to the exclusion of the B Shareholders).

5 4 The A Shareholder Majority may elect to send one person to any Board meeting to be in attendance as an observer ("**Observer**") and to speak throughout such meeting. The Observer shall have no vote on any matter and shall not be entitled to any fee other than any reasonable out of pocket expenses properly incurred and evidenced to the Board.

5 5 The quorum at any meeting of the Directors (including adjourned meetings) shall be two directors unless only one Director shall have been appointed in which case the quorum shall be one.

5 6 No business shall be conducted at any meeting of the Directors unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 5 Business Days at the same time and place.

6 Calling a Directors' meeting

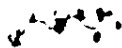
- 6 1 Any Director may call a meeting of Directors by giving not less than 5 Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by a majority of the Directors) to each Director or by authorising the Company secretary (if any) to give such notice
- 6 2 Notice of any Directors' meeting must be accompanied by
- 6 2 1 an agenda specifying in reasonable detail the matters to be raised at the meeting, and
- 6 2 2 copies of any papers to be discussed at the meeting
- 6 3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of Directors unless all the Directors agree in writing
- 7. Directors' interests**
- 7 1 The Directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not so authorised, involve a Director (the "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest (a "**Conflict**")
- 7 2 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently)
- 7 2 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- 7 2 2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict,
- 7 2 3 provide that the Interested Director 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 related to the Conflict,
- 7 2 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,
- 7 2 5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
- 7 2 6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters
- 7 3 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Members in relation to the Conflict
- 7 4 The Directors may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation
- 7 5 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 in accordance with these Articles (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

- 7 6 Subject to sections 177(5) and 177(6) of the Act, 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
- 7 7 Subject to sections 182(5) and 182(6) of the Act, 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 7 6
- 7 8 Subject, where applicable, to any terms and conditions imposed by the Directors in accordance with Article 7 2, and provided a Director has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company
- 7 8 1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested,
- 7 8 2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,
- 7 8 3 shall be entitled to vote at a meeting of Directors (or of a committee of Directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,
- 7 8 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,
- 7 8 5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and
- 7 8 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

8 Alternate Directors

- 8 1 Any Director (the "appointor") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to
- 8 1 1 exercise that Director's powers, and
- 8 1 2 carry out that Director's responsibilities,



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

8 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors

8 3 The notice must

8 3 1 identify the proposed alternate, and

8 3 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice

8 4 An alternate director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor

8 5 Except as these Articles specify otherwise, alternate directors

8 5 1 are deemed for all purposes to be Directors,

8 5 2 are liable for their own acts and omissions,

8 5 3 are subject to the same restrictions as their appointors, and

8 5 4 are not deemed to be agents of or for their appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member

8 6 A person who is an alternate director but not a Director

8 6 1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating), and

8 6 2 may participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision, but does not participate)

8 7 A Director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an Eligible Director in relation to that decision)

8 8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the appointor's remuneration as the appointor may direct by notice in writing made to the Company

8 9 An alternate director's appointment as an alternate terminates

8 9 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

8 9 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director,

8 9 3 on the death of the alternate's appointor, or

8 9 4 when the alternate's appointor's appointment as a Director terminates

9 Share capital

9 1 Save by special resolution, the share capital of the Company shall not exceed £100 divided into 8,950 A Shares of £0 01 each and 1,050 B Shares of 0 01 each

9 2 Unless otherwise provided for in these Articles, the Shares shall rank *pari passu* in all respects but the A Shares and the B Shares shall constitute separate classes of Shares

10 Share rights

10 1 Subject to article 10 2, as regards dividends, the Company shall apply any profits which the Directors resolve to distribute in any financial year to the Members *pro rata* to the number of Shares held by each of them

10 2 The B Shareholders shall not be entitled to receive any dividends declared, made or paid to the Members before the Redemption Date

10 3 As regards capital, on a return of assets on liquidation or capital reduction or otherwise, the proceeds or (as applicable) the assets of the Company remaining after the payment of its liabilities shall be distributed in the following order of priority

10 3 1 firstly in paying to the holders of the A Shares the amount paid up or credited as paid up on such Shares (including the full amount of any premium at which such Shares were issued whether or not such premium is applied for any purpose after that), and

10 3 2 secondly, provided that the distribution occurs after the Redemption Date, in paying to the holders of the B Shares the amount paid up or credited as paid up on such Shares (including the full amount of any premium at which such Shares were issued whether or not such premium is applied for any purpose after that), and

10 3 3 the balance of such assets shall be distributed amongst the holders of the A Shares and, provided that the distribution occurs after the Redemption Date, the holders of the B Shares *pari passu* and in proportion to the percentage of shares held by each of them in the Company as if the A Shares and the B Shares constituted one class of share

but for the avoidance of doubt, the B Shareholders shall not be entitled to share in a distribution in accordance with this Article 10 3 where the Loan Notes have not been fully repaid to the Noteholders unless otherwise determined in writing by the A Shareholder Majority

10 4 As regards an Exit, where the Exit involves the sale of 100% of the Shares in the Company or where there is a Disposal of all the undertaking and assets in the Company then, notwithstanding anything to the contrary in the terms and conditions governing such an Exit, the Members shall immediately prior to such Exit procure that the consideration (whenever received) or in the case of a Disposal, the sums by way of distribution which are to be paid out to the Members, shall be placed in a designated trustee account and shall be distributed to the Members in the following order of priority

10 4 1 firstly in repaying the Loan Notes,

10 4 2 secondly, in repaying to the holders of the A Shares the amount paid up or credited as paid up on such A Shares (including the full amount of any premium at which such A Shares were issued whether or not such premium is applied for any purpose after that),

- 10 4 3 thirdly, in repaying to the holders of the B Shares the amount paid up or credited as paid up on such B Shares (including the full amount of any premium at which such B Shares were issued whether or not such premium is applied for any purpose after that), and
- 10 4 4 finally, the balance of such consideration shall be distributed amongst the holders of the Shares *par passu* (as if the same constituted one class of share) and in proportion to the percentage of Shares held by them in the Company
- 10 5 As regards voting in general meetings, the Members shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company On a show of hands every Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll every Member so present shall have one vote for each Share held by him
- 11. Conversion**
- 11 1 If a holder of A Shares acquires B Shares in accordance with the provisions of these Articles, then the acquired B Shares shall upon completion of such acquisition (without further authority than is herein contained) be deemed to have been immediately re-designated as A Shares having all the rights, privileges and restrictions attaching to the A Shares
- 11 2 If a holder of B Shares acquires A Shares in accordance with the provisions of these Articles, then the acquired A Shares shall upon completion of such acquisition (without further authority than is herein contained) be deemed to have been immediately re-designated as B Shares having all the rights, privileges and restrictions attaching the B Shares
- 12 Issue of Shares**
- 12 1 Any unissued Shares from time to time shall, before they are issued, be offered to all the Members in proportion to the amounts (excluding any premium paid on subscription) paid up on the Shares held by them respectively (and such offer shall be at the same price and on the same terms to each such Member) Such offer shall be made by notice specifying the number of Shares offered, the proportionate entitlement of the relevant Member, the price per Share and limiting a period (being not less than 20 Business Days) within which the offer, if not accepted, will be deemed to be declined After the expiration of such period the Directors shall offer the Shares so declined to the persons who have, within the said period, accepted all the Shares offered to them in the same manner as the original offer and limited by a period of not less than 10 Business Days If any Shares comprised in such further offer are declined or deemed to be declined such further offer shall be withdrawn in respect of such Shares At the expiration of the time limited by the notice(s) the Directors shall allot the Shares so offered to or amongst the Members who have notified their willingness to take all or any of such Shares in accordance with the terms of the offer No Member shall be obliged to take more than the maximum number of Shares he has indicated his willingness to take
- 12 2 In respect of any Shares not accepted pursuant to Article 12 1 above or not capable of being so offered except by way of fractions shall be at the disposal of the Company and the Directors may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that no Shares shall be issued at a discount and provided further that, in the case of Shares not accepted, such Shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they were offered to the Members, or at a discount No Share shall be issued more than 3 months after the end of the period for the acceptance of the last offer made under Article 12 1 unless the procedure in Article 12 1 and this Article 12 2 is repeated in relation to that Share
- 12 3 The discretion of the Directors contained in this Article as to the allotment and disposal of and the granting of any option over the Shares shall in any event be subject to the provisions of any agreement relating thereto binding on the Company from time to time and any directions contained in any resolution creating such Shares

- 12 4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act)

13 Transfer of Shares

- 13 1 Subject to Article 14, Shares may be transferred by transfer in writing in usual common form or in any other form approved by the Directors. The instrument of transfer shall be signed by or on behalf of the transferor and, when the Share is not fully paid, shall also be signed by the transferee
- 13 2 The Directors may decline to recognise any instrument of transfer unless the instrument of transfer is duly stamped and is accompanied by the relevant share certificate and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). All instruments of transfer which are registered may be retained by the Company
- 13 3 Notwithstanding any other provision of these Articles, the Board shall not register a transfer of any interest in a Share if it is to a minor, undischarged bankrupt, trustee in bankruptcy or person who (in the opinion of the Board) is of unsound mind or unless the transfer is made in accordance with these Articles. In either case (other than in respect of a transfer to a Third Party Purchaser under Article 15 or 16) if the transferee is not already a party to the Shareholders Agreement, he must have entered into a deed of adherence to, and in the form required by, the Shareholders Agreement
- 13 4 An obligation to transfer a Share under these Articles 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

14 Pre-emption on transfer

- 14 1 Unless the Members holding 75% or more of the issued share capital of the Company agree in writing to waive the requirements of this Article 14 and save for any transfer made pursuant to Articles 16 or 17, the right to transfer Shares or any interest in Shares shall be subject to the following restrictions and provisions. References in this Article 14 to Shares or Sale Shares shall include any interest in and grant of contractual rights or options over or in respect of such Shares
- 14 2 Any Member (the "**Proposing Transferor**") proposing to transfer any Shares (the "**Sale Shares**"), shall be required before effecting, or purporting to effect the transfer, to give a notice in writing to the Company (a "**Transfer Notice**") The Transfer Notice shall specify
- 14 2 1 that he desires to transfer the Sale Shares,
- 14 2 2 whether or not he has received an offer from a Third Party Purchaser for the Sale Shares and if so the identity of such Third Party Purchaser and the price so offered,
- 14 2 3 the price at which he is prepared to sell the Sale Shares in accordance with the following provisions of this Article 14 (the "**Proposed Price**"), and
- 14 2 4 whether the Proposing Transferor wishes to impose a condition that unless all of the Sale Shares are sold pursuant to this Article 14 none shall be sold (a "**Total Transfer Condition**"), but in the absence of such statement the Transfer Notice shall be deemed not to contain a Total Transfer Condition
- 14 3 The Transfer Notice shall constitute the Company his agent for the sale of the Sale Shares (together with all rights then attached thereto) during the Prescribed Period to any Members on the basis set out in the following provisions of this Article 14 and shall not be revocable except with the consent of the Directors or in accordance with Article 14 6

- 14 4 In the event that the Transfer Notice contains a Total Transfer Condition, then no offer of Sale Shares made by the Company pursuant to this Articles 14 shall be capable of acceptance until all the Sale Shares have been accepted in accordance with the following provisions of Article 14 If the Company does not receive acceptances in respect of all the Sale Shares within the periods specified in this Article 14, it shall forthwith give notice in writing of that fact to each of the Members (including the Proposing Transferor) and the Proposing Transferor shall be entitled to offer all (but not part of) the Sale Shares to the Third Party Purchaser specified in the Transfer Notice, at the price specified in the Transfer Notice, in accordance with Article 14 2
- 14 5 The Sale Shares shall be offered for purchase in accordance with this Article 14 at a price per Sale Share (the "**Sale Price**") as agreed between the Proposing Transferor and the Directors or, in default of such agreement within 15 Business Days after the date of service of the Transfer Notice (the "**Notice Date**"), the lower of
- 14 5 1 the Proposed Price, and
- 14 5 2 the price per Sale Share (the "**Valuer's Price**") as determined by the Valuers in accordance with Article 14 6
- 14 6 If the Sale Price shall not have been agreed between the Proposing Transferor and the Directors within the time limit prescribed in Article 14 5, then immediately following the expiry of such period the Directors shall refer the matter to the Valuers and the Valuers shall determine and certify the sum per Share, with all classes of shares being valued equally for the purposes of the valuation, considered by them to be the fair value thereof as at the Notice Date The Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on all persons concerned and (in the absence of fraud or manifest error) they shall be under no liability to any such person by reason of their determination or certificate or by anything done or omitted to be done by them for the purpose thereof or in connection therewith The cost and expense of the Valuers shall be borne by the Company save where the price determined by the Valuers is higher than the price offered by the Directors during the discussions referred to in Article 14 5, in which case the costs and expenses of the Valuers shall be borne by the Proposing Transferor Save where the Transfer Notice is a Compulsory Transfer Notice given in accordance with Article 15 or otherwise, the Proposing Transferor may withdraw the Transfer Notice within 5 Business Days of the Valuer's Price being notified to him
- 14 7 If the Transfer Notice is not withdrawn in accordance with these Articles, the Company shall offer the Sale Shares for purchase at the Sale Price by a written notice (the "**First Offer Notice**") given within the later of 15 Business Days after the Sale Price is agreed or determined under Article 14 5 or the expiry of the period prescribed in Article 14 5, to the Company The period during which the Company may accept the offer contained in the First Offer Notice shall commence on the date of the First Offer Notice and terminate 10 Business Days thereafter (the "**First Offer Period**")
- 14 8 Any Sale Shares not accepted by the Company pursuant to Article 14 7 by the end of the last day of the First Offer Period, shall be offered by a written offer notice (the "**Second Offer Notice**") given within 10 Business Days of the expiry of the First Offer Period, to those persons (other than the Proposing Transferor and any other Member who has been served with a Compulsory Transfer Notice) who were on the date of the Second Offer Notice the registered holders of A Shares The Second Offer Notice shall invite the relevant Members to state in writing the maximum number of Sale Shares which they wish to purchase In the event of competition the Sale Shares shall be sold to the acceptors in proportion to the number of Shares held of the relevant class (as nearly, as may be without involving fractions, or increasing the number, sold to a relevant Member beyond that applied for by him) (and the shareholding of the Proposing Transferor and any other Member who has been served with a Compulsory Transfer Notice shall be disregarded for the purpose of calculating this proportion) The period during which a relevant Member may accept the offer contained in the Second Offer Notice shall commence on the date of the Second Offer Notice and terminate 10 Business Days thereafter (the "**Second Offer Period**")

- 14 9 Any Shares not accepted by the class members pursuant to Article 14 8 by the end of the last day of the Second Offer Period shall be offered by the Company to the persons who at the Second Notice Date are the registered holders of B Shares (other than any Member who has been served with a Compulsory Transfer Notice) for purchase at the Sale Price on the same terms as set out in Article 14 8 and the period during which the offer made by the Company under this Article 14 9 may be accepted by a relevant Member (the **"Third Offer Period"**) shall be a further period of 15 Business Days commencing on the day after the day on which the Second Offer Period under Article 14 8 terminates and ending 15 Business Days thereafter
- 14 10 Any Shares not accepted by any of the Members pursuant to the foregoing provisions of these Articles by the end of the last day of the Third Offer Period may be offered by the Proposing Transferor to such persons as he may think fit for purchase at the Sale Price for a period of three months commencing on the day after the day on which the Third Offer Period terminates
- 14 11 After the expiry of the period in which all of the Sale Shares have been accepted, the Directors shall allocate the Sale Shares in accordance with the acceptances received on the basis set out in Articles 14 7 to 14 10 The Directors shall within 5 Business Days of the expiry of the period in which all of the Sale Shares have been accepted, give notice in writing (the **"Sale Notice"**) to the Proposing Transferor and to each accepting Member (each a **"Purchaser"**) specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the aggregate price payable for them
- 14 12 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than 3 Business Days nor more than 10 Business Days after the date of the Sale Notice or anytime after the Sale Notice has been given if all the Sale Shares are to be purchased by the Company) when the Proposing Transferor, upon payment to him by a Purchaser or the Company (as the case may be) (each a **"Proposing Transferee"**) of the Sale Price in respect of the Sale Shares allocated to that Proposing Transferee, shall transfer those Sale Shares and deliver the relevant share certificates to that Proposing Transferee or cancel the relevant Sale Shares which have been purchased by the Company
- 14 13 If a Proposing Transferor shall fail or refuse to transfer any Sale Shares to a Proposing Transferee hereunder the Directors may authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the Proposing Transferor and cause the Proposing Transferee(s) to be registered as the holder(s) of such shares or cancel such shares that have been purchased by the Company The receipt of the Company for the purchase money shall constitute a good discharge to the Proposing Transferee(s) (who shall not be bound to see to the application thereof) and after the Proposing Transferee(s) has been registered or such shares cancelled (as the case may be) in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person The Company shall not pay the purchase money to the Proposing Transferor until he shall have delivered his share certificate(s) or a suitable indemnity and the necessary transfers to the Company
- 14 14 Whenever a Share is transferred to a member holding Shares only of another class such first mentioned Share shall ipso facto and forthwith be converted into and redesignated as a Share of such other class

15 Compulsory transfer

- 15 1 In relation to a Member, if such Member dies or an Insolvency Proceeding occurs in relation to such Member, that Member (or if appropriate, such person who is entitled to that Member's Shares in consequence of his death or the Insolvency Proceeding), shall be bound at any time within a period of 12 months of such death or Insolvency Proceeding, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of such Share and the provisions of Articles 14 2 to 14 14 shall apply to the transfer of those Shares

- 15 2 In the case of a B Shareholder who is also an employee, consultant or director of a Group Company (a "**Compulsory Transferor**") ceasing to hold any and all such positions at any time then, within 12 months after such cessation, the Directors may serve notice on such Compulsory Transferor requiring the Compulsory Transferor to give a Transfer Notice (a "**Compulsory Transfer Notice**") in respect of all of the B Shares held by him and the provisions of Articles 14 2 to 14 14 shall (subject to Articles 15 3 to 15 6) apply to the transfer of those B Shares
- 15 3 If the Compulsory Transfer Notice is served by the Directors in accordance with Article 15 2 and the B Shareholder is a Good Leaver then the price per Share at which the B Shares held by the Compulsory Transferor will be offered for sale pursuant to Article 15 will be fair value as determined by the Valuers in accordance with Article 14 6 and the "**Sale Price**" will be construed accordingly in these Articles
- 15 4 If the Compulsory Transfer Notice is served by the Directors in accordance with Article 15 2 and the B Shareholder is a Bad Leaver then the price per Share at which the Shares held by the Compulsory Transferor will be offered for sale pursuant to Article 15 will be the lower of (i) par value and (ii) fair value as determined by the Valuers in accordance with Article 14 6 and the "**Sale Price**" will be construed accordingly in these Articles
- 15 5 For the purposes of determining fair value pursuant to Articles 15 3 and 15 4, the fair value of the relevant B Shares shall be determined at the Termination Date (as defined in Article 15 6)
- 15 6 For the purpose of Article 15 2, the date upon which a Compulsory Transferor ceases to hold office as an employee and/or director (the "**Termination Date**") as described therein shall
- 15 6 1 where the employer terminates or purports to terminate a contract of employment by giving notice to the employee of the termination of the employment, whether or not the same constitutes a wrongful or unfair dismissal, be the later of the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination) and the date (if any) for the termination expressly stated in such notice,
- 15 6 2 where the employee terminates or purports to terminate a contract of employment by giving notice to the employer of the termination of the employment (whether or not he is lawfully able so to do), be the later of the date of that notice and the date (if any) for the termination expressly stated in such notice,
- 15 6 3 where an employer or employee wrongfully repudiates the contract of employment and the other respectively accepts that the contract of employment has been terminated be the date of such acceptance by the employee or employer respectively,
- 15 6 4 where a contract of employment is terminated under the doctrine of frustration, be the date of the frustrating event,
- 15 6 5 where a contract of employment is terminated, be the date on which the person actually ceases to be employed by the employer, and
- 15 6 6 where a director ceases to be a director, the date on which the person ceases to be a director for the Group Company
16. **Drag along right**
- 16 1 If the holders, at any time, of not less than 65% of the Shares (the "**Selling Members**") shall receive an offer from a Third Party Purchaser which they intend to accept to acquire all the Shares held by the Selling Members then the Selling Members shall have the option (the "**Drag Along Option**") to require all the other Members (the "**Remaining Members**") to transfer all their Shares (the "**Remaining Shares**") to the third party purchaser or as the third party purchaser shall direct in accordance with this Article 16

- 16 2 The Selling Members shall exercise the Drag Along Option by giving notice to that effect (a **"Drag Along Notice"**) to the Remaining Members at any time before the transfer of the Selling Members' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Remaining Members are required to transfer all their Remaining Shares pursuant to this Article 16 to the Third Party Purchaser, the price at which the Remaining Shares are to be transferred (being not less than the price per Share payable by the Third Party Purchaser in respect of the Shares held by the Selling Members) and the proposed date of transfer. A Drag Along Notice shall be irrevocable unless the Third Party Purchaser refuses to acquire the Remaining Shares on the terms of this Article 16.
- 16 3 The Remaining Members shall be obliged to sell the Remaining Shares at the price specified in the Drag Along Notice and completion of this sale and purchase shall take place on receipt of the consideration payable for the relevant Shares and on the same date as the date proposed for completion of the sale of the Selling Members' Shares, unless
- 16 3 1 all the Remaining Members and the Selling Members agree otherwise, or
- 16 3 2 the date is less than 10 Business Days after the Drag Along Notice, in which case completion shall take place on the 10th Business Days after the Drag Along Notice.
- 16 4 Each of the Remaining Members shall, on service of the Drag Along Notice, be deemed to have appointed each of the Selling Members severally as his agent to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Remaining Shares to the Third Party Purchaser pursuant to this Article 16.
- 16 5 The terms upon which the Remaining Members shall sell pursuant to this Article 16 shall include a covenant to sell with full title guarantee.
- 16 6 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this Article 16.
- 17 Tag along option**
- 17 1 No sale or transfer or other disposition of more than 65% of the Shares (the **"Specified Shares"**) to a Third Party Purchaser shall have any effect unless before the transfer is lodged for registration the Third Party Purchaser acquiring the Specified Shares has made a bona fide offer (a **"Tag Along Offer"**) in accordance with these Articles to purchase from the other Members such number of the Shares which are not Specified Shares (the **"Tag Along Shares"**). This Article is subject to the rights of the Selling Members in respect of the Drag Along Option as set out in Article 16.
- 17 2 A Tag Along Offer shall be in writing, shall specify the price at which the Tag Along Shares may be transferred (being the price payable by the Third Party Purchaser in respect of each of the Specified Shares), shall be open for acceptance for at least 15 Business Days and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance. The consideration payable pursuant to a Tag Along Offer shall be settled in full on completion of the sale and purchase of the Tag Along Shares and within 20 Business Days of the date of the offer.
- 17 3 Following the acceptance of a Tag Along Offer by a holder of any Tag Along Shares, that Member shall be obliged to sell the Tag Along Shares held by it to the Third Party Purchaser at the price specified in the Tag Along Offer and completion of this sale and purchase shall take place on the same date as the date of completion of the sale of the Specified Shares.
- 17 4 The terms upon which the holders of the Tag Along Shares shall sell pursuant to this Article 17 shall include a covenant to sell with full title guarantee and the Members shall give normal commercial warranties and indemnities regarding the Company, and they shall be responsible for an appropriate proportion of any associated costs and expenses of such sale, including but not limited to, warranty and indemnity insurance (if any).

- 17 5 Each holder of Tag Along Shares who accepts a Tag Along Offer shall be deemed to have appointed each holder of Specified Shares severally as his agent to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Tag Along Shares held by such Member to the Third Party Purchaser pursuant to this Article 17

18 Information concerning shareholdings and transfers

- 18 1 For the purpose of ensuring that no circumstances have arisen whereby a Transfer Notice is or may be required to be given hereunder, or to be satisfied that any proposed sale is bona fide and on the terms stated in the Transfer Notice with no rebate or allowance, the Directors may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in the transfer lodged for registration to furnish to the Company such information or evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Directors within a reasonable time after such requirement being made, the Directors shall be entitled to refuse to register the transfer in question or (if no transfer is in question) to require by notice in writing that a Transfer Notice be given in accordance with Article 14 in respect of the Shares concerned
- 18 2 In a case where the Directors have duly required a Transfer Notice to be given in respect of any Shares and such Transfer Notice is not duly given within a period of one month or such longer period as the Directors may allow for the purpose, such Transfer Notice shall be deemed to have been given on such date after the expiration of the said period as the Directors may by resolution determine and the forgoing provisions of these Articles shall take effect accordingly
- 18 3 From (and including) the date on which the Directors have duly required a Transfer Notice(s) to be given pursuant to these Articles, all holders of Shares subject to such Transfer Notice(s) shall not transfer or encumber any of their Shares or any interest in their Shares (other than pursuant to such Transfer Notice(s)) until all proceedings pursuant to such Transfer Notice(s) have been finalised in accordance with these Articles

19 Proceedings at general meetings

- 19 1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy one of whom shall be an A Shareholder and one of whom shall be a B Shareholder
- 19 2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on
- 19 3 At a general meeting, on a show of hands every Member who is present in person or by proxy shall have one vote, unless the proxy is himself a Member entitled to vote, on a poll every Member present in person or by proxy shall have one vote for each Share of which he is the holder, and on a vote on a written resolution every Member has one vote for each Share of which he is the holder
- 19 4 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 19 5 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Article
- 19 6 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate"

- 19 7 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that Article

20. Means of communication to be used

- 20 1 Subject to Article 20 2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient
- 20 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted,
- 20 1 2 if properly addressed and sent by prepaid airmail to an address outside the United Kingdom, 72 hours after it was posted,
- 20 1 3 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 20 1 4 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- 20 1 5 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website
- 20 2 Any notice, document or other information served on, or delivered to, an intended recipient under Article 14 may not be served or delivered in electronic form (other than by fax), or by means of a website
- 20 3 In proving that any notice, document or information was properly addressed, it shall be sufficient to show that the notice, document or information was delivered to an address permitted for the purpose by the Act

21 Indemnity

- 21 1 Subject to Article 21 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled
- 21 1 1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer
- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them, and
- (b) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act) (if any),
- including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs, and
- 21 1 2 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application

referred to in Article 21 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

21 2 This Article 21 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

21 3 In this Article 21

21 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

21 3 2 a **"relevant officer"** means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

22. Insurance

22 1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss

22 2 In this Article

22 2 1 a **"relevant officer"** shall have the meaning attributed to that term in Article 21 3 2,

22 2 2 a **"relevant loss"** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and

22 2 3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate