

Company number 08597884

PRIVATE COMPANY LIMITED BY SHARES

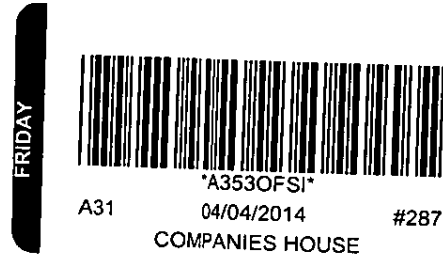
WRITTEN RESOLUTION

of

BJR & LM WHITWORTH & CO LIMITED (Company)

1 April

2014 (Circulation Date)



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

SPECIAL RESOLUTION

"THAT

- 1 Subject to the passing of Resolution 2 below, the draft new articles of association attached to these Resolutions (**New Articles**) be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association
- 2 The existing issued share capital of the Company, comprising Ordinary A Shares of £1 each and Ordinary B Shares of £1 each be converted and redesignated as follows
 - 2 1 the Ordinary A Shares of £1 each be converted into and redesignated as, A Preference Shares of £1 each, with such rights and entitlements attached thereto as set out in the New Articles, and
 - 2 2 the Ordinary B Shares of £1 each be converted into, and redesignated as, B Preference Shares of £1 each, with such rights and entitlements attached thereto as set out in the New Articles "

AGREEMENT

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

The undersigned, being the only members of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions

Signed by BENJAMIN WHITWORTH

Ben Whitworth

Date 1 April 2014

Signed by LORNA WHITWORTH



Date 1 April 2014

NOTES

1 You can choose to agree to all of the Resolutions or none of them, but you cannot agree to some only of the Resolutions. 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 by post to the Company Secretary.

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.

2 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.

3 Unless, by the date arising on expiry of 28 days following 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.

4 If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.

NEW ARTICLES OF ASSOCIATION

OF

BJR & LM WHITWORTH & CO LIMITED

(Adopted by Special Resolutions dated 1 April 2014)

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BJR & LM WHITWORTH & CO LIMITED

(Adopted by special resolution passed on 1 April 2014)

INTRODUCTION

1. INTERPRETATION

1.1 The following definitions and rules of interpretation apply in these Articles

Act: the Companies Act 2006,

acting in concert: has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended),

Adoption Date: the date of adoption of these Articles,

A Ordinary Shares: the A ordinary shares of £1 each in the capital of the Company,

A Preference Shares: the A preference shares of £1 each in the capital of the Company,

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

Available Business Profits: profits generated by, and attributable to, the Company carrying on the Business (excluding, for the avoidance of doubt, all Available Non-Business Profits), as available for distribution within the meaning of part 23 of the Act,

Available Non-Business Profits: profits generated by, attributable to, or arising on or in connection with, a Property Disposal (excluding, for the avoidance of doubt, all Available Business Profits), as available for distribution within the meaning of Part 23 of the Act,

B Ordinary Shares: the B ordinary shares of £1 each in the capital of the Company,

B Preference Shares: the B preference shares of £1 each in the capital of the Company,

Business: the business of electricity generation for feed-in tariff payment, through use of solar panels located on the Property, to Sunsave 25 (Wix Lodge Farm) Limited

(Sunsave) pursuant to an agreement between the Company and Sunsave in force as at the Adoption Date (as amended, varied, extended and assigned from time to time) and to any successor beneficiary (including the Company) of any such electricity feed-in tariff (as such tariff may be varied from time to time),

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

Company: means BJR & LM Whitworth & Co Limited (Company number 08597884),

Company's Lien: has the meaning given to it in *article 19 1*,

connected: has the meaning given in section 252 of the Act,

Controlling Interest: an interest in the Ordinary Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010,

Deemed Transfer Notice: a Transfer Notice which is deemed to have been served by any of the provisions of these Articles,

Directors: the directors of the Company from time to time,

Eligible Director: means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter),

Equity Shares: the Preference Shares and the Ordinary Shares,

Fair Value: has the meaning given in *article 14 2*,

Independent Expert: the accountants for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller (as defined in *article 13 2*) or, in the absence of agreement between the Company and the Seller on the identity of the expert within ten Business Days of the expiry of the ten Business Day period referred to in *article 14 1*, an independent firm of accountants appointed by the President, for the time being, (or next available senior officer) of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator),

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (*SI 2008/3229*), as amended prior to the Adoption Date,

Ordinary Shares: the A Ordinary Shares and the B Ordinary Shares,

Preference Shares: the A Preference Shares and the B Preference Shares,

Property: all the land at Wix Lodge, Colchester Road, Wix, Nr Manningtree, Essex CO11 2RP, registered at HM Land Registry under title number EX894875,

Property Disposal: a disposal by the Company of all or any part of the Property,

Relevant Securities: any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date

Shareholder: a holder for the time being of any Share or Shares,

Shareholders Agreement: the shareholders' agreement dated the same date as the Adoption Date made between Benjamin Whitworth, Lorna Whitworth and the Company,

Shares: shares (of any class) in the capital of the Company and **Share** shall be construed accordingly,

Transfer Notice: has the meaning given in *article 13 2*, and

Transfer Price: has the meaning given in *article 14 1*

- 1 2 Headings in these Articles shall not affect the interpretation of these Articles
- 1 3 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular
- 1 4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders
- 1 5 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 Adoption Date)
- 1 6 A reference in these Articles to
- (a) an **Article** is a reference to the relevant numbered article of these Articles, and
- (b) a **model article** is a reference to the relevant article,
- unless expressly provided otherwise
- 1 7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision
- 1 8 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms

2. ADOPTION OF THE 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 Model articles 8, 11(2) and (3), 13, 14(1) to (4) (inclusive), 17(2), 26(1) and (2), 30(3), 44(2), 49, and 51 to 53 (inclusive) shall not apply to the Company
- 2 3 Article 7(1) of the Model Articles shall be amended by the deletion of the words "either a majority decision at a meeting or a decision taken in accordance with article 8" and the insertion of the words "a majority decision at a meeting" after the word "be"
- 2 4 Model article 7(2) shall be amended by the insertion of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 2 5 Model article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur"
- 2 6 In model article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 2 7 Model article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"

DIRECTORS

3 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of Directors shall not be subject to any limitation. When the minimum number of Directors shall be one, a sole Director may exercise all powers and authorities vested in the Directors by these Articles

4 PROCEEDINGS OF DIRECTORS

- 4 1 Any decision of the Directors must be taken at a meeting of Directors in accordance with the Act. All decisions made at any meeting of the Directors shall be made only

by resolution and resolutions at any meeting of the Directors shall be decided by a majority of votes

- 4 2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter
- 4 3 A decision taken in accordance with *article 4 2* 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 4 A decision may not be taken in accordance with *article 4 2* if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with *article 4 5* and *article 4 6*
- 4 5 The quorum for any meeting of the Directors shall be two Eligible Directors
- 4 6 For the purposes of any meeting held pursuant to *article 7* to authorise a Conflict (as defined in *article 7 1*), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director
- 4 7 If the number of Directors in office for the time being is one Director, such sole Director shall constitute a quorum
- 4 8 The Directors may make any rule which they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors

5 APPOINTMENT AND REMOVAL OF DIRECTORS

- 5 1 In any case where, as a result of death or bankruptcy, the Company has no holders of Ordinary Shares and no Directors, the transmittee(s) of the last holder of Ordinary Shares to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a Director

6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

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

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested,
- (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,
- (d) 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
- (e) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such 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

7. DIRECTORS' CONFLICTS

- 7.1 The Directors may, in accordance with the requirements set out in this *article 7*, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (**Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)
- 7.2 Any authorisation of a Conflict under this *article 7* may (whether at the time of giving the authorisation or subsequently)
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict,
 - (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict,
 - (d) impose upon the Interested Director such terms for the purposes of dealing with the Conflict as the Directors think fit, and
 - (e) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be

excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters

- 73 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict
- 74 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
- 75 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) and no authorisation under *article 71* shall be necessary in respect of any such interest
- 76 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 or by the Company in general meeting (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

8. SECRETARY

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors

SHARES AND DISTRIBUTIONS

9. SHARE CAPITAL

The share capital of the Company is divided into A Ordinary Shares, B Ordinary Shares, A Preference Shares and B Preference Shares

10. SHARE RIGHTS

The Shares shall confer upon their holders, the following class rights

10 1 **Voting**

10 1 1 the holders of the Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and shall be entitled to one vote for each Ordinary Share held by them,

10 1 2 subject to *article 10 2*, the holders of the Preference Shares shall not be entitled to receive notice of and attend and speak at any general meetings of the Company and shall not have any votes in respect of any matters to be voted on at a general meeting of the Company

10 2 **Variation of class rights**

No variation of the rights attaching to any class of shares of the Ordinary Shares or any class of shares of the Preference Shares shall be effective except with the sanction of a special resolution of the holders of such relevant class of Shares Where a special resolution to vary the rights attaching to such a class of Shares is proposed as a separate general meeting of that class of Shares, all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply (save that, for the avoidance of doubt, in the case of a general meeting of the holders of any class of Preference Shares, such holders shall be entitled to receive notice of and to attend and speak at any general meeting of such holders and shall be entitled to one vote for each such Share held)

10 3 **Dividends**

10 3 1 The Available Business Profits of the Company which are resolved to be divided amongst the holders of the Preference Shares in any year shall be allocated into a special reserve created in the accounts for the benefit of each individual class of Preference Share to which the holders of the respective classes of Preference Shares may receive dividends from the same special reserve The allocation of Available Business Profits between the special reserves shall be at the discretion of the Directors If the Directors allocate the Available Business Profits to the special reserves without specifying the division, by default those Available Business Profits shall be allocated in proportion to the number of Preference Shares held Such dividends may be paid at such respective rates (if any) as the Company in General Meeting shall determine and so that a dividend or dividends may be declared from one or several Preference Share class special reserve to the exclusion of any other Preference Share class special reserve and that dividends at different rates may be declared on the respective classes of Preference Shares The Directors may also pay an interim dividend or dividends from one or several Preference Share class special reserve to the exclusion of any other Preference Share class special reserve and may pay interim dividends at different rates from the respective Preference Share class profit pools (each a **Preference Profit Pool**)

10 3 2 The Available Non-Business Profits of the Company which are resolved to be divided amongst the holders of the Ordinary Shares in any year shall be allocated into a special reserves created in the accounts for the benefit of each individual class of Ordinary Shares to which the holders of the respective classes of Ordinary Shares may receive dividends from the same special reserve. The allocation of Available Non-Business Profits between the special reserves shall be at the discretion of the Directors. If the Directors allocate the Available Non-Business Profits to the special reserve without specifying the division, by default those Available Non-Business Profits shall be allocated in proportion to the number of Ordinary Shares held. Such dividends may be paid at such respective rates (if any) as the Company in General Meeting shall determine and so that a dividend or dividends may be declared from one or several Ordinary Share class special reserve to the exclusion of any other Ordinary Share class special reserve and that dividends at different rates may be declared on the respective classes of Ordinary Shares. The Directors may also pay an interim dividend or dividends from one or several Ordinary Share class special reserve to the exclusion of any other Ordinary Share class special reserve and may pay interim dividends at different rates from the respective Ordinary Share class profit pools (each an **Ordinary Profit Pool**)

10 4 **Capital**

On a return of capital whether on a liquidation or capital reduction or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied as follows

10 4 1 firstly,

- (a) an amount equal to the value of each Preference Profit Pool shall be paid to the holders of the respective class of Preference Share to which each such Preference Profit Pool relates, and
- (b) an amount equal to the value of each Ordinary Profit Pool shall be paid to the holders of the respective class of Ordinary Share to which each such Ordinary Profit Pool relates,

10 4 2 secondly, in paying to each holder of Ordinary Shares an amount equal to the nominal value of the Ordinary Shares held by each such holder of Ordinary Shares (such proceeds to be allocated amongst the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by each of them), and distributing the balance among the holders of the Ordinary Shares in proportion to the number of Ordinary Shares held by each of them proportionately

11. PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES

- 11 1 Save to the extent authorised by these Articles, the Directors shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares
- 11 2 Subject to the remaining provisions of this *article 11*, the Directors are generally and unconditionally authorised, for the purposes of section 550 of the Act and section 551 of the Act and generally, to exercise any power of the Company to
- (a) offer or allot,
 - (b) grant rights to subscribe for or to convert any security into, and
 - (c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper

- 11 3 The authority referred to in *article 11 2*
- (a) shall be limited to a maximum nominal amount of £1,000 of Ordinary Shares and £1,000 of Preference Shares,
 - (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and
 - (c) may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired)
- 11 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) made by the Company
- 11 5 Unless otherwise agreed by special resolution, if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of Equity Shares of the same class as the Relevant Securities (each an **Offeree**) on a *pari passu* basis (as if they constituted Shares of the same class) and in the respective proportions that the number of Equity Shares of the same class as the Relevant Securities held by each such holder bears to the total number of Equity Shares of the same class as the Relevant Securities held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person

- 11 6 An offer made under *article 11 5* shall
- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,
 - (b) remain open for a period of at least 20 Business Days from the date of service of the offer, and
 - (c) stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under *article 11 5* shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe
- 11 7 If, on the expiry of an offer made in accordance with *article 11 5*, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement
- 11 8 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with *article 11 5* shall be used to satisfy any requests for Excess Securities made pursuant to *article 11 6(c)*. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Equity Shares of the same class as the Relevant Securities held by each such applicant bears to the total number of such Equity Shares of the same class as the Relevant Securities held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him)
- 11 9 If, after completion of the allotments referred to in *article 11 7* and *article 11 8*, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall be offered to the holders (on the date of this offer) of the Equity Shares of different class to the Relevant Securities on a *pari passu* basis and in the respective proportions that the number of Equity Shares of different class to the Relevant Securities held by each such holder bears to the total number of Equity Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person. Such offer shall be made in accordance with *article 11 6* and the provisions of *article 11 7* and *article 11 8* shall, with necessary modifications, apply to such offer
- 11 10 If, after completion of the allotments referred to in articles *article 11 7*, *article 11 8* and *article 11 9*, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall, be offered to any other person(s) as the Directors may, determine, at the same price and on the same terms as the offer to the Shareholders

- 11 11 Whenever a share (**Allotted Share**) is allotted to a Shareholder who holds Shares (**Holding Shares**) only of another class of the Ordinary Shares or another class of the Preference shares (as the case may be) the Allotted Share shall ipso facto and forthwith be converted into and redesignated as a Share of the same class as the Holding Shares, unless otherwise agreed by all the Shareholders

12 TRANSFERS OF SHARES: GENERAL

- 12 1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share

- 12 2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. The Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent

- 12 3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have immediately served a Transfer Notice in respect of all Shares held by him

- 12 4 The Directors may as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company and the holders of the Ordinary Shares agreeing to be bound by the terms of the Shareholders' Agreement in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this *article 12 4*, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee

- 12 5 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require

- (a) any holder (or the legal representatives of a deceased holder), or
- (b) any person named as a transferee in a transfer lodged for registration, or
- (c) such other person as the Directors may reasonably believe to have information relevant to that purpose,

to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose

- 12 6 If any such information or evidence referred to in *article 12 6* is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has

occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 10 Business Days of receipt of such written notice, then

- (a) the relevant Shares shall cease to confer on the holder of them any rights
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
 - (ii) to receive dividends or other distributions otherwise attaching to those Shares, or
 - (iii) to participate in any future issue of Shares, issued in respect of those Shares, and
- (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice)

The Directors may reinstate the rights referred to in *article 12 6(a)* at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to *article 12 6(b)* on completion of such transfer

12 7 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice)

12 8 Any Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice

13. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

13 1 Any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this *article 13*

13 2 A Shareholder who wishes to transfer Shares (**Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (**Transfer Notice**) to the Company specifying

- (a) subject to *article 15 3*, the number of Shares he wishes to transfer (**Sale Shares**),
- (b) the name of the proposed transferee (if any), and
- (c) the price per Sale Share (in cash) at which he wishes to transfer the Sale Shares (**Proposed Sale Price**)

13 3 Once given, a Transfer Notice may not be withdrawn without the prior consent of the other Shareholder(s) holding the same class of Shares as the Sale Shares

13 4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price

13 5 As soon as practicable following the later of

- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served), and
- (b) the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with *article 13 3*) offer the Sale Shares for sale in the manner set out in the remaining provisions of this *article 13* at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered

13 6 If the Sale Shares are Preference Shares, the Company shall offer them in the following order of priority

- (a) first, to the holders of Preference Shares of the same class of Preference Shares as the Sale Shares, and
- (b) second, to the holders of Preference Shares of different class to the Preference Shares as the Sale Shares (**Second Offer Shareholders**), and
- (c) third, to the holders of Ordinary Shares (**Third Offer Shareholders**)

in each case on the basis set out in *article 13 8* to *article 13 17* (inclusive)

13 7 If the Sale Shares are Ordinary Shares, the Company shall offer them in the following order of priority

- (a) first, to the holders of Ordinary Shares of the same class of Ordinary Shares as the Sale Shares (**First Offer Shareholders**),
- (b) second, to the holders of Ordinary Shares of different class to the Ordinary Shares as the Sale Shares (**Second Offer Shareholders**), and
- (c) third, to the holders of Preference Shares (**Third Offer Shareholders**),

in each case on the basis set out in *article 13 8* to *article 13 17* (inclusive)

13 8 The Directors shall offer the Sale Shares in the order of priority referred to in *article 13 6* or *article 13 7* (as appropriate) to the First Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy

13 9 If

- (a) at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each First Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares of the same class as the Sale Shares bears to the total number of Shares of the class being offered held by all First Offer Shareholders (other than the Seller) Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors) No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy,
- (b) not all Sale Shares are allocated following allocations in accordance with *article 13 9(a)*, but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in *article 13 9(a)* The procedure set out in this *article 13 9(b)* shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied, and
- (c) at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the First Offer Shareholders in accordance with their applications The balance (the **Initial Surplus Shares**) shall be dealt with in accordance with *article 13 10*

13 10 At the end of the First Offer Period, the Directors shall offer the Initial Surplus Shares (if any) to the Second Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (**Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy

13 11 If

- (a) at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the

Directors shall allocate the Initial Surplus Shares to each Second Offer Shareholder who has applied for Initial Surplus Shares in the proportion which his existing holding of Shares of the class held by Second Offer Shareholders bears to the total number of Shares of the class held by all Second Offer Shareholders (other than the Seller) Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors) No allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy,

- (b) not all Initial Surplus Shares are allocated following allocations in accordance with *article 13 11(a)*, but there are applications for Initial Surplus Shares that have not been satisfied, the Directors shall allocate the remaining Initial Surplus Shares to such applicants in accordance with the procedure set out in *article 13 11(a)* The procedure set out in this *article 13 11(b)* shall apply on any number of consecutive occasions until either all Initial Surplus Shares have been allocated or all applications for Initial Surplus Shares have been satisfied, and
- (c) at the end of the Second Offer Period, the total number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to the Second Offer Shareholders in accordance with their applications The balance (**Second Surplus Shares**) shall be dealt with in accordance with *article 13 12*

13 12 At the end of the Second Offer Period, the Directors shall offer the Second Surplus Shares (if any) to the Third Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (**Third Offer Period**) for the maximum number of Second Surplus Shares they wish to buy

13 13 If

- (a) at the end of the Third Offer Period, the number of Second Surplus Shares applied for is equal to or exceeds the number of Second Surplus Shares, the Directors shall allocate the Second Surplus Shares to each Third Offer Shareholder who has applied for Second Surplus Shares in the proportion which his existing holding of Shares of the class held by Third Offer Shareholders bears to the total number of Shares of the class held by all Third Offer Shareholders (other than the Seller) Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Second Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors) No allocation shall be made to a Shareholder

of more than the maximum number of Second Surplus Shares which he has stated he is willing to buy,

- (b) not all Second Surplus Shares are allocated following allocations in accordance with *article 13 13(a)*, but there are applications for Second Surplus Shares that have not been satisfied, the Directors shall allocate the remaining Second Surplus Shares to such applicants in accordance with the procedure set out in *article 13 13(a)* The procedure set out in this *article 13 13(b)* shall apply on any number of consecutive occasions until either all Second Surplus Shares have been allocated or all applications for Second Surplus Shares have been satisfied, and
- (c) at the end of the Third Offer Period, the total number of Second Surplus Shares applied for is less than the number of Second Surplus Shares, the Directors shall allocate the Second Surplus Shares to the Third Offer Shareholders in accordance with their applications The balance (**Third Surplus Shares**) shall be dealt with in accordance with *article 13 17*

13 14 Where allocations have been made in respect of all the Sale Shares, the Directors shall, when no further offers or allocations are required to be made under the above article, give notice in writing of the allocations of Sale Shares (**Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**) The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days, but not more than 7 Business Days, after the date of the Allocation Notice)

13 15 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice

13 16 If the Seller fails to comply with *article 13 15*

- (a) any Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price), and
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and

- (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company
- 13 17 Where an Allocation Notice does not relate to all the Sale Shares, then, subject to *article 13 16* the Seller may, at any time during the 20 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares or the Third Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price
- 13 18 The Seller's right to transfer Shares under *article 13 17* shall not apply if the Directors reasonably consider that
 - (a) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
 - (b) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in *article 12 6*
- 13 19 Whenever a Share (**Transferred Share**) is transferred to a Shareholder who holds Shares (**Holding Shares**) only of another class of the Ordinary Shares or of another class of the Preference Shares (as the case may be) the Transferred Share shall ipso facto and forthwith be converted into, and redesignated as, a Share of the same class as the Holding Shares
- 14. VALUATION
- 14 1 The **Transfer Price** for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), and the Seller or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value (as defined in *article 14 2*) of each Sale Share
- 14 2 The **Fair Value** shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions
 - (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served),

- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
 - (c) that the Sale Shares are capable of being transferred without restriction,
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent, and
 - (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account
- 14 3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit
- 14 4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Company, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose
- 14 5 The parties are entitled to make submissions to the Independent Expert including oral submissions and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision
- 14 6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 14 7 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller
- 14 8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally
- 15. **COMPULSORY TRANSFERS**
- 15 1 A Shareholder (**Applicable Shareholder**) shall be deemed to have served a Transfer Notice (**Deemed Transfer Notice**) in respect of all of his Shares immediately before any of the following events
 - (a) his death, or
 - (b) a bankruptcy order being made against him or an arrangement or composition being made with his creditors, or where he otherwise takes the

benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or

- (c) he fails to serve a Transfer Notice as may be required under these Articles and fails to remedy such breach within five Business Days of notice to remedy the breach being served by the Director or other Shareholders

15 2 The Applicable Shareholder shall be deemed to be a Seller and the Deemed Transfer Notice shall have the same effect as a Transfer Notice, except that

- (a) the Transfer Price shall be the Fair Value as determined under *article 14*, and
- (b) the Seller shall, where the Deemed Transfer Notice is served under *article 15 2(a) or (b)*, be a reference to the Applicable Shareholder's personal representatives or trustee in bankruptcy (as the case may be)

15 3 Forthwith upon a Transfer Notice being deemed to be served the Shares subject to the relevant Deemed Transfer Notice (**Restricted Shares**) shall cease to confer on the holder of them any rights

- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
- (b) to receive dividends or other distributions otherwise attaching to those Shares, or
- (c) to participate in any future issue of Shares issued in respect of those Shares

The Directors may reinstate the rights referred to in *article 15 3* at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to these Articles on completion of such transfer

DECISION-MAKING BY SHAREHOLDERS

16. GENERAL MEETINGS

16 1 The Directors present (or, if no Directors are present, the meeting) shall appoint a Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting

17. VOTING

17 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting

18 PURCHASE OF OWN SHARES

- 18 1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) with cash

19 COMPANY'S LIEN OVER SHARES

- 19 1 The Company has a lien (**Company's Lien**) over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

- 19 2 The Company's Lien over a share

- (a) takes priority over any third party's interest in that Share, and
- (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share

- 19 3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part

20. ENFORCEMENT OF THE COMPANY'S LIEN

- 20 1 Subject to the provisions of this *article 20*, if

- (a) a Lien Enforcement Notice has been given in respect of a Share, and
- (b) the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors decide

- 20 2 A Lien Enforcement Notice

- (a) may only be given in respect of a Share which is subject to the Company's Lien (as defined in *article 19 1*) and in respect of a sum payable to the Company for which the due date for payment has passed,
- (b) must specify the Share concerned,
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must be addressed either to the holder of the Share or to a transmittee of that holder, and

- (e) must state the Company's intention to sell the Share if the notice is not complied with

20 3 Where Shares are sold under this *article 20*

- (a) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

20 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice, and
- (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice

20 5 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share

ADMINISTRATIVE ARRANGEMENTS

21 INDEMNITY AND INSURANCE

21 1 Subject to *article 21 2*, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled

- (a) each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties, or in relation thereto including 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 other Group Company's) affairs, and

- (b) 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* and otherwise may take any action to enable 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 Act or by any other provision of law

21 3 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

21 4 In this *article 21*

- (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, and
- (b) **Relevant Officer** means any director or other officer of the Company