

NEWBURGH PRECISION LIMITED (THE "COMPANY")

COMPANY NUMBER 08847562

WRITTEN RESOLUTION OF THE COMPANY

PURSUANT TO SECTION 288 OF THE COMPANIES ACT 2006

PASSED ON 19th September 2018

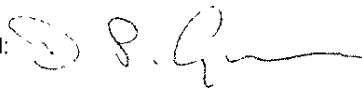
The following written resolution having been duly proposed by the directors of the Company was duly passed by the Company as a special resolution

SPECIAL RESOLUTION

THAT:

1. The regulations contained in the document supplied to the members of the Company with this resolution be adopted as the articles of association of the Company ("**New Articles**") in substitution for and to the entire exclusion of the existing articles of association
2. The directors are generally and unconditionally authorised, for the purposes of section 551 of the Companies Act 2006 and in addition to all previous allotment authorities, to allot one B Capital Share (as defined by and having the rights attaching to such share in the New Articles), on such terms and in such manner as they think fit up commencing on the date of the passing of this resolution and expiring on the fifth anniversary of such date and the directors shall have the power to exercise the authority conferred upon them by this resolution to allot such share and on such conditions as they may in their discretion determine as if section 561 of the Companies Act 2006 does not apply.

Signed:

 19/9/18

David Greenan

Director

for and on behalf of Company

FRIDAY



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28/09/2018

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COMPANIES HOUSE

DATED: 19th SEPTEMBER 2018

ARTICLES OF ASSOCIATION
OF
NEWBURGH PRECISION LIMITED

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Company number: 08847562
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF

NEWBURGH PRECISION LIMITED (the "Company")

Adopted by special resolution passed on 19TH SEPTEMBER 2018

INTRODUCTION

1 INTERPRETATION

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

"A Ordinary Shares"	A Ordinary Shares of £0.01 each of the capital of the Company designated as Ordinary Shares having the rights and restrictions set out in these Articles
"Act"	the Companies Act 2006.
"Articles"	the Company's articles of association for the time being in force.
"B Capital Shares"	the B Capital Shares of £1 each in the capital of the Company designated as a B Capital Share having the rights and restrictions set out in these articles.
"Business Day"	a day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.
"Conflict"	a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
"Controlling Interest"	an interest in shares (defined in Schedule 1 of the Act) conferring in aggregate more than 50% of the total voting rights conferred by all the shares in the share capital of the Company from time to time in issue.
"Controlling Shareholder"	a registered holder for the time being of not less than 75% in nominal value of the Ordinary Shares of the Company from time to time.

"Disposal"	the sale or other disposal (whether by one transaction or a series of related transactions) of: <ul style="list-style-type: none"> (a) the whole or a substantial part of the business and assets of the Company; or (b) 50% or more of the issued share capital of any immediate subsidiary or subsidiaries to the extent that it or they comprise the whole or a substantial part of the business and assets of the Group.
"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"	a Sale, a Disposal, a Liquidation or a Listing.
"Group"	the Company, any subsidiary or any holding company of the Company from time to time, and any subsidiary from time to time of a holding company and member of the Group and "Group Company" shall mean any of them.
"holding company"	has the meaning given in article 1.6.
"Liquidation"	the liquidation, dissolution or winding up of the Company pursuant to the making of a winding-up order by the Court on the passing of a resolution by the shareholders that the Company be wound up or dissolved (save for a solvent winding up for the purpose of reconstruction or amalgamation previously proved by a resolution of the holding company).
"Listing"	the becoming effective of a listing of any Group Company's securities on a Stock Exchange or the granting of permission for any of any Group Company's securities to be traded on a Stock Exchange and the listing shall be treated as occurring on the day on which trading in the securities began.
"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), as amended prior to the date of adoption of these Articles and reference to a numbered Model Article is a reference to that article of the Model Articles.
"Ordinary Shares"	Ordinary Shares of £1 each of the capital of the Company designated as Ordinary Shares having the rights and restrictions set out in these Articles.

"Proceeds"	the aggregate proceeds received on an Exit by all shareholders less all costs attributable to the Exit.
"Sale"	<p>(c) the sale or other disposal (whether by one transaction or a series of related transactions) of:</p> <ul style="list-style-type: none"> (i) a Controlling Interest; or (ii) 50% or more of the issued Share Capital of the Company on completion; or <p>(d) where the purchaser(s) and its connected persons (within the meaning of Section 252 of the Act) or associated bodies corporate (within the meaning of Section 256 of the Act) as appropriate, already hold shares in the capital of the Company, the sale or other disposal of such number of shares such that the purchaser(s) and his connected persons or associated bodies corporate, as appropriate, hold 50% or more of the issued share capital of the Company (other than where the purchaser (together with its connected persons) holds 50% or more of the issued share capital of the Company immediately before a purchase of shares).</p>
"Stock Exchange"	The London Stock Exchange Plc (including the Alternative Investment Market operated by the London Stock Exchange Plc), PLUS Markets Plc (including the PLUS-listed market and the PLUS-quoted market operated by PLUS Market Plc) or any other recognised investment exchange (as defined by Section 285 of the Financial Services Market Act 2000) and their respective share dealing markets.
"subsidiary"	has the meaning given in article 1.6.
"Valuers"	means the auditors from time to time of the Company or, if none are appointed or they decline the instruction, an independent firm of accountants jointly appointed by the Company and the relevant transferring shareholder ("Seller") or, in the absence of agreement between the Company and the Seller on the identity of the Valuers within the period expiring on the later of 10 Business Days after the auditors decline to so act and on expiry of the 10 Business Day period referred to in article 10.3(c), an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator) at the request of the Company or the Seller.

- 1.2 Unless expressly provided otherwise 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. The final paragraph of Model Article 1 shall not apply to the Company.

- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to a numbered **Article** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise in these Articles, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - (a) any subordinate legislation made under it, whether before or after the date of adoption of these Articles; and
 - (b) any amendment or re-enactment, whether before or after the date of adoption of these Articles and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

This article 1.5 shall not apply to the definition of **Model Articles** in article 1.1.

- 1.6 A reference to a **holding company** or **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), by way of security or in connection with the taking of security, or (b) its nominee.
- 1.7 Any words following the terms **including**, **include**, **in particular** 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.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.10 Model Articles 8(3), 11(2) and (3), 14(1), (2), (3) and (4), 38, 52 and 53 shall not apply to the Company.
- 1.11 Model Article 7 shall be amended by:
 - (a) the insertion of the words "for the time being" at the end of Model Article 7(2)(a); and

- (b) the insertion in Model Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.12 In Model Article 8(2), the words "copies of which have been signed by each eligible director" shall be deleted and replaced with the words "of which each Eligible Director has signed one or more copies".
- 1.13 Model Article 20 shall be amended by the insertion of the words "and the company secretary (if any)" before the words "properly incur".
- 1.14 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".
- 1.15 In Model Article 30(4), the words "the terms on which shares are issued" shall be deleted and replaced with "the rights attached to any shares".
- 1.16 In Model Article 32(a), the words "the terms on which the share was issued" shall be deleted and replaced with "the rights attached to the share".
- 1.17 Model Article 44(3) 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 Model Article.

DIRECTORS

2 DIRECTORS' GENERAL AUTHORITY

Any or all powers of the directors (or any of them) shall be restricted in such respects, to such extent and for such duration as a Controlling Shareholder may from time to time by notice in writing to the Company prescribe.

3 QUORUM FOR DIRECTORS' MEETINGS

- 3.1 Subject to article 3.2, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors or, where there is only one director in office for the time being, that director.
- 3.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 5 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s) (as defined in article 5.1), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

4 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 4.1 Subject to section 177(5) and (6) and section 182(5) and (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 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 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;
- (e) 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
- (f) 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 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.

4.2 The provisions of article (a) to article (f) (inclusive) are subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 5.3.

5 DIRECTORS' CONFLICTS OF INTEREST

5.1 The directors may, in accordance with the requirements set out in this article 5, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest.

5.2 Any authorisation under this article 5 will be effective only if:

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

- 5.3 Any authorisation of a Conflict under this article 5 may (whether at the time of giving the authorisation or subsequently) impose on the Interested Director such conditions or limitations, or be granted subject to such terms, as the directors may think fit for the purposes of dealing with the Conflict and the Interested Director will be obliged to conduct himself in accordance with any such terms and conditions.
- 5.4 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, before such revocation or variation, in accordance with the terms of such authorisation.
- 5.5 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, any member of the Group and no further authorisation under article 5.1 shall be necessary in respect of any such interest.
- 5.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit that he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles, by the Company or by these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

6 RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the directors to retain a copy of such decisions.

7 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall not be less than one. A sole director shall have all the powers, duties and discretions conferred on or vested in the directors by these Articles.

8 APPOINTMENT AND REMOVAL OF DIRECTORS

- 8.1 A Controlling Shareholder may at any time and from time to time by notice in writing to the Company appoint one or more persons to be a director or directors of the Company and to remove any director or directors from office (whether or not appointed pursuant to this article 8).
- 8.2 Model Article 18 shall be amended by the inclusion of the words "notification of the director's removal is received by the Company from a Controlling Shareholder pursuant to Article 8.1" as a new paragraph (g) at the end of that Model Article.

- 8.3 Any removal of a director pursuant to article 8.1 shall be without prejudice to any claim for breach of contract under any employment agreement between the Company and the director so removed.

9 SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and on 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 SHAREHOLDERS

10 ISSUE AND TRANSFER OF NEW SHARES

- 10.1 The directors shall not exercise any power of the Company to allot shares or other securities in, or to grant rights to subscribe for, or convert into, shares or other securities of, the Company without the prior written consent of a Controlling Shareholder (if any). Without limitation, the powers of the directors under section 550 of the Act are limited accordingly.
- 10.2 In respect of the transfer of shares the following shall apply:-
- (a) In the event that a shareholder proposes, or is legally required, to sell, transfer, or otherwise dispose of, all or part of his, her, or its, shares in the company by whatever means, that transferring shareholder shall advise all other shareholders of this proposal or requirement on each occasion in writing stating a price ("**Price**") (subject to paragraph (e) below) and terms ("**Terms**") of sale for the shares proposed to be sold.
 - (b) Other shareholders in the company receiving such written notification referred to in Article 10.2(a) above ("**Transfer Notice**"), shall have a period of thirty (30) days in which to notify the transferring shareholder in writing, of any intention to acquire the relevant shares in whole or in part.
 - (c) If all of the other shareholders indicate a valid intention to acquire the shares subject to the transfer, then they shall be entitled to acquire the said shares in proportion to their then existing shareholding in the company.
 - (d) If some of the other shareholders decline the opportunity to acquire the said shares, or do not respond within the prescribed thirty (30) day period, the said shares shall be offered to the remaining shareholders, who may acquire the said surplus shares in proportion to their then existing shareholding in the company.
 - (e) The Price payable for the said shares by the other shareholder or shareholders to the transferring shareholder shall be the nominal value of the shares, or the fair market value of the shares determined having regard to all relevant economic factors and in accordance with objective criteria, at the discretion of the transferring shareholder.

- (f) The transferor shall sell, transfer or dispose of the said shares at the same price, per share, to all other shareholders who have validly indicated an intention to acquire the said shares in accordance with these articles, provided that the same sale, transfer or disposal of the said shares is concerned. A subsequent disposal would require a new share valuation.
- (g) If no shareholders validly notify the transferring shareholder of an intention to acquire the said shares within the thirty (30) day notice period, the transferring shareholder shall be then entitled to sell transfer or otherwise dispose of the said shares but on the basis that this is for consideration no less than the Price stated by the transferring shareholder as required by article 10.2 (a) and on no more favourable terms.

10.3 Compulsory transfers

- (a) Immediately on any of the following events ("**Compulsory Event**") occurring in respect of a shareholder (including, without limitation, any joint shareholder) ("**Relevant Shareholder**") the directors may by written notice ("**Compulsory Transfer Notice**") within 6 months of the event occurring (and only once in respect of the same event) served on the Relevant Shareholder require that shareholder to offer all of his shares registered in the name of that shareholder or joint names for sale to the other shareholders pursuant to article 10.2:
 - (i) the Relevant Shareholder being an individual, a petition being presented, or an order being made, for the shareholder's bankruptcy; or
 - (ii) an application to the court being made under section 253 of the Insolvency Act 1986 where the shareholder intends to make a proposal to his creditors for a voluntary arrangement; or
 - (iii) the shareholder making a voluntary arrangement with his creditors on agreed terms under section 263A of the Insolvency Act 1986; or
 - (iv) the shareholder convening a meeting of his creditors or taking any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally; or
 - (v) the shareholder being unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
 - (vi) any encumbrancer taking possession of, or a receiver being appointed over or in relation to, all or any material part of the shareholder's assets; or
 - (vii) being a body corporate, the shareholder having a receiver, manager, administrative receiver or administrator appointed of it or over all or any part of its assets; or
 - (viii) being a body corporate, the shareholder entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or

- (ix) the happening in relation to a shareholder of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets.
- (b) In the event that a Compulsory Transfer Notice is served the Relevant Shareholder shall be deemed to have immediately thereafter served a Transfer Notice under article 10.2 in respect of all the shares registered in his name and article 10.2 **Error! Reference source not found.** shall take effect accordingly, subject to the provisions of this article 10.3.
- (c) The deemed Transfer Notice arising as a result of the service of a Compulsory Transfer Notice has the same effect as a Transfer Notice, except that the deemed Transfer Notice takes effect on the basis that it does not state a price for the shares and the Price for the shares the subject of such deemed Transfer Notice shall be the aggregate Fair Value of such shares, agreed between the Relevant Shareholder and the Company or in the absence of agreement within 10 Business Days' of the Transfer Notice, determined by the Valuers in accordance with article 10.4.

10.4 Valuation

- (a) Where Fair Value is to be determined in these articles the Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the selling shareholder in writing of their determination.
- (b) The Fair Value for any share the subject of a Transfer Notice ("**Sale Shares**") shall be the price per share determined in writing by the Valuers on the following bases and assumptions:
 - (i) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company and without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
 - (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (iii) the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - (iv) the Sale Shares are sold free of all encumbrances; and
 - (v) the sale is taking place on the date the Valuers were requested to determine the Fair Value.
- (c) The selling shareholder and the Company are entitled to make submissions to the Valuers including oral submissions and shall provide (or procure that the Company provides) the Valuers with such assistance and documents as the

Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require.

- (d) To the extent not provided for by this article 10.4, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary), instructing professional advisers to assist them in reaching their valuation.
- (e) The Valuers' written determination shall be final and binding on the shareholders in the absence of manifest error or fraud.
- (f) The cost of obtaining the Valuers' valuation shall be borne by the Company or in such other proportions as the Valuers direct.

11 RIGHTS ATTACHING TO SHARES

11.1 Income

Any profits that the Company resolved to be distributed in any financial year or other period shall be distributed amongst the holders of Ordinary Shares pro rata according to the number of Ordinary Shares held by the relevant holder of the Ordinary Shares. The A Ordinary Shares and the B Capital Shares shall not carry any right to any income whatsoever and the holders of the A Ordinary Shares and the B Capital Shares shall not be entitled to receive any payment of a dividend.

11.2 Capital

On an Exit or any other return of capital of the Company (other than the redemption of shares or the purchase by the Company of its own shares), the surplus assets and retained profits of the Company after payment of all liabilities and which are then available for distribution among the shareholders or the Proceeds of any Exit (as the case may be) will be applied in the following order and priority:

- (a) if and only to the extent that the amount of the surplus assets and/or retained profits and/or Proceeds (as the case may be) paid to the holders of the B Capital Shares does not exceed £4,450,000:
 - (i) if and only to the extent that the surplus assets and/or retained profits and/or Proceeds (as the case may be) are less than £3,000,000:
 - (A) to the holders of the Ordinary Shares 90 percent of surplus assets and retained profits or Proceeds of Exit (as the case may be); and
 - (B) to the holders of the B Capital Shares 10 percent of surplus assets and retained profits or Proceeds of Exit;
 - (ii) where the surplus assets and/or retained profits and/or Proceeds (as the case may be) are equal to or more than £3,000,000:

- (A) to the holders of the Ordinary Shares 75 percent of surplus assets and retained profits or Proceeds of Exit (as the case may be);
 - (B) to the holders of the A Ordinary Shares 15 percent of surplus assets and retained profits or Proceeds of Exit (as the case may be); and
 - (C) to the holders of the B Capital Shares 10 percent of surplus assets and retained profits or Proceeds of Exit; and
- (b) the balance (if any) of all surplus assets and retained profits of the Company and the Proceeds of Exit (as the case may be) after payment of the amounts payable pursuant to Article 11.2(a) above shall be distributed:
 - (i) as to 85 percent of such surplus assets and retained profits or Proceeds of Exit (as the case may be) to the holders of Ordinary Shares pro rata to the number of Ordinary Shares held by each of them; and
 - (ii) as to 15 percent of such surplus assets and retained profits or Proceeds of Exit (as the case may be) to the holders of A Ordinary Shares pro rata to the number of A Ordinary Shares held by each of them,

on the basis in each case that if there is more than one holder of the Ordinary Shares, A Ordinary Shares and the B Capital Shares then such amounts payable on each class of shares shall be distributed pro rata to the number of the relevant class of shares held.

11.3 Voting

- (a) The holders of the Ordinary Shares shall have the right to receive notice of and to attend, vote and speak at all general meetings of the Company and shall be able to vote on any written resolution of the Company.
- (b) Save as provided in Article 11.5, the A Ordinary Shares and the B Capital Shares shall not entitle the holder of those shares to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of a proposed written resolution of the Company.
- (c) Where shares confer a right to vote, on a show of hands each holder of such shares 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 each such holder so present shall have one vote for each share held by him.

11.4 Exit provisions

- (a) Immediately prior to a Listing the Company shall issue to each holder of B Capital Shares such number (if any) of Ordinary Shares that are required so that the proportion of the Ordinary Shares held by that member following the completion of all such issues and the conversion of all B Capital Shares shall be

equal to the proportion of the proceeds that the member would have been entitled to receive on a Sale.

- (b) The additional Ordinary Shares to be allotted under this Article 11.4 shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the directors. The capitalisation shall not require any action on the part of the members and the directors shall allot the Ordinary Shares arising on the capitalisation to the members entitled to them in accordance with this Article 11.4.
- (c) If the Company is not permitted to carry out the capitalisation under the Act or other applicable law, the holders of the B Capital Shares shall be entitled to subscribe at par in each case for that number of additional Ordinary Shares as would otherwise have been issued pursuant to this Article 11.4.

11.5 Variation of Rights

No variation of the rights attached to any class of shares should be effected except with the unanimous consent of the whole of the relevant class of shares. Each of the following shall be deemed to constitute a variation of the rights attached to each class of share:

- (a) any alteration in the Articles; and
- (b) any of the rights attaching to any share capital.

12 QUORUM FOR GENERAL MEETINGS

- 12.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 12.2 Where the Company has only one shareholder for the time being, one qualifying person (as defined in section 318 of the Act) present at the meeting shall be a quorum. In any other case, the quorum shall be:
 - (a) a Controlling Shareholder present in person, by proxy or by authorised representative; or
 - (b) if the Company does not have a Controlling Shareholder for the time being, any two shareholders present in person, by proxy or by authorised representative.

13 PROXIES

- 13.1 Model Article 45(1)(d) 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 the general meeting (or adjourned meeting) to which they relate".

- 13.2 Model Article 45(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Model Article.

ADMINISTRATIVE ARRANGEMENTS

14 CHANGE OF COMPANY NAME

- 14.1 The name of the Company may be changed by:

- (a) a decision of the directors; or
- (b) a special resolution of the shareholders,

or otherwise in accordance with the Act.

15 MEANS OF COMMUNICATION TO BE USED

- 15.1 Subject to article 15.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (b) if sent by fax, at the time of transmission; or
- (c) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
- (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
- (e) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (f) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
- (g) 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; and
- (h) if deemed receipt under the previous paragraphs of this article 15.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day

when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

15.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (d) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

16 INDEMNITY AND INSURANCE

16.1 Subject to article 16.2, 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:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - (ii) 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),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, or regulatory investigation or action, in which judgment is given in his favour or in which he is acquitted or the proceedings are, or the investigation or action is, 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

- (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, investigation, action or application referred to in article (a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 16.2 This article 16 does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and any such indemnity is limited accordingly.
- 16.3 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.
- 16.4 In this article 16:
- (a) **associated company** means any member of the Group and **associated companies** shall be construed accordingly;
 - (b) 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
 - (c) 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).