

Company Registration Number. 08980069

PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS
of
AFAN ENERGY LIMITED
(Company)

Circulated on 17 April 2014 (Circulation Date)

PROPOSAL

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolution below is passed as a special resolution of the Company (**Resolution**)

SPECIAL RESOLUTION

THAT the draft articles of association accompanying this Resolution be and are adopted by the Company as its articles of association to the exclusion of and in substitution for the existing articles of association of the Company

AGREEMENT

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

The undersigned, a person entitled to vote on the Resolution on the Circulation Date hereby irrevocably agrees to the Resolution, including any variation to the rights attaching to the Company's classes of shares effected thereby

Signed by a duly authorised)
member for and on behalf of)
Marcol Industrial (Afan Energy) LLP)


sign name here

Date 17 April 2014

THURSDAY



NOTES

- If you agree to the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods
 - By Hand delivering the signed copy to Clyde & Co LLP of The St Botolph Building, 138 Houndsditch, London, EC3A 7AG, marked for the attention of Simon Vere Nicoll
 - By Post returning the signed copy by post to Clyde & Co LLP of The St Botolph Building, 138 Houndsditch, London, EC3A 7AR, marked for the attention of Simon Vere Nicoll
 - By Fax faxing the signed copy to +44 (0) 20 7876 5120 marked for the attention of Simon Vere Nicoll
 - By Email emailing the signed copy to simon.verenicoll@clydeco.com marked for the attention of Simon Vere Nicoll
- If you do not agree to the Resolution, you do not need to do anything you will not be deemed to agree if you fail to reply
- Once you have indicated your agreement to the Resolution, you may not revoke your agreement
- Unless, within 28 days of the Circulation Date, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date
- 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

Company No. 08980069

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES**

ARTICLES OF ASSOCIATION

**of
AFAN ENERGY LIMITED**

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

AFAN ENERGY LIMITED

(adopted by special resolution passed on 2014)

Introduction

1 Interpretation

1.1 In these Articles, the following words have the following meanings

Act means the Companies Act 2006,

Appointor has the meaning given in Article 12.1,

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

Board means the board of Directors,

Business Day means 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,

Conflict has the meaning given in Article 9.1,

Director Entitlement means the number of Directors a Shareholder is entitled to maintain in office under Article 11.2,

Directors means directors of the Company, and **Director** means any one of them,

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

Group means in relation to a company, that company, any subsidiary or holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company, and each company in a Group is a member of the Group,

holding company and **subsidiary** mean a "holding company" and "subsidiary" as defined in section 1159 of the Act and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Act, 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), whether by way of security or in connection with the taking of security, or (b) its nominee,

Interested Director has the meaning given in Article 9.1,

Model Articles means 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,

Ordinary Share means a share in the capital of the Company with a nominal value of £0.01 designated as an ordinary share,

Ordinary Shareholder has the meaning given in Article 11 2,

Preferred Amount has the meaning given in Article 13 4 2,

Preferred Share means a share in the capital of the Company with a nominal value of £0 01 designated as a Preferred Share,

Relevant Agreement any written agreement between all the Shareholders from time to time,

Shareholder means a holder of one or more Shares,

Shares means the shares in the share capital of the Company from time to time and **Share** shall be construed accordingly, and

writing or written means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purposes of the Articles (except Article 6), "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form other than by fax or email

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

1 3 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 an "Article" is a reference to the relevant article of these Articles unless expressly provided otherwise

1 5 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms

1 6 Save as expressly provided otherwise in these Articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force

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 Articles 4, 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 30 (inclusive), 36, 38, 39, 43, 44(2), and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company

2 3 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors and the secretary)" before the words "properly incur"

- 2 4 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 2 5 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide" Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

Directors

3 Directors' Meetings

- 3 1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with Article 4
- 3 2 Subject as provided in these Articles, the Directors may participate in Directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit
- 3 2 1 The Board shall make decisions by passing resolutions A resolution is passed if more votes are cast for it than against it
- 3 3 Except as provided by Article 3 4, each Director has one vote at a meeting of Directors
- 3 4 If any Director appointed by a Shareholder pursuant to Article 11 2 is not present at any meeting of the Directors, the other Directors (if any) appointed by the same Shareholder pursuant to Article 11 2 who are present at the meeting shall (acting together) have the right to exercise the vote of the absent Director
- 3 5 The preceding provisions of Article 3, 4, 6, and 7 shall apply equally to meetings of any committee of the Directors as to meetings of the Directors

4 Unanimous Decisions of Directors

- 4 1 Subject to Article 4 2, a decision of the Directors is taken in accordance with this Article when all Eligible Directors indicate to each other that they share a common view on a matter by means 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 2 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter

5 Number of Directors

Unless otherwise determined by special resolution, the number of Directors (other than alternate directors) shall not be less than two

6 Calling Directors' Meetings

- 6 1 Any Director may call a meeting of Directors
- 6 2 At least five Business Days' written notice of a meeting of Directors shall be given to all Directors and shall be accompanied by
- (a) an agenda specifying in reasonable detail the matters to be raised at the meeting, and
 - (b) copies of any papers to be discussed at the meeting

6 3 A shorter period of notice of a meeting of Directors may be given if all Directors agree in writing

6 4 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of Directors unless all the Directors agree in writing

7 **Quorum for Directors' Meetings**

7 1 Subject to Article 7 2, the quorum at any meeting of Directors is two Eligible Directors or their alternates

7 2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 9 to authorise a Director's conflict, if there is only one Eligible Director in office other than the conflicted Director, the quorum for such meeting (or part of a meeting) shall be one Eligible Director

7 3 No business shall be conducted at any meeting of Directors unless a quorum is present

(a) at the beginning of the meeting, and

(b) when such business is conducted and voted upon

8 **Chairing Directors' Meetings**

8 1 The post of chairman of the Board shall be held by a Director nominated by Directors from time to time

8 2 The chairman shall not have a casting vote

8 3 If the chairman for the time being is unable to attend any meeting of the Board the Directors shall nominate another Director act as chairman at the meeting

9 **Directors' Interests**

9 1 The Directors may, in accordance with the provisions of these Articles, authorise any matter or situation proposed to them by any Director which would, if not so authorised, involve a Director (the **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (a **Conflict**)

9 2 Any authorisation under this Article 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

9 3 Any authorisation of a Conflict under this Article 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 will or will 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 other terms for the purposes of dealing with the Conflict as the Directors think fit,
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
 - (f) 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
- 9 4 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
- 9 5 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
- 9 6 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, the Shareholder who appointed him as a director of the Company pursuant to 11 2, or any other member of such Shareholder's Group, and no authorisation under Article 9 1 shall be necessary in respect of any such interest
- 9 7 Any Shareholder Director shall be entitled from time to time to disclose to Shareholder that appointed him pursuant to Article 11 2 such information concerning the business and affairs of the Company as he shall at his discretion see fit
- 9 8 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
- 9 9 Subject to sections 177(5) and 177(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement in accordance with the Act
- 9 10 Subject to sections 182(5) and 182(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 9 9
- 9 11 Subject, where applicable, to any terms and conditions imposed by the Directors in accordance with Article 9 3, and provided a Director has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who

is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

- (a) may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested,
- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,
- (c) shall be entitled to vote at a meeting of Directors (or of a committee of Directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,
- (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 contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

10 **Board Records**

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

11 **Appointment and Removal of Directors**

11 1 The Shareholders may by unanimous resolution

- (a) appoint any person as a Director, and
- (b) remove any Director from office

11 2 Subject to Article 11 6, any Shareholder who is the registered holder of Ordinary Shares (an **Ordinary Shareholder**) shall be entitled to appoint and maintain in office one person as a Director for each multiple of 25 Ordinary Shares held by such Shareholder and remove from office any such director so appointed

11 3 Subject to any Relevant Agreement, any appointment or removal of a Director pursuant to Article 11 2 shall be effected by written notice which

- (a) shall be signed by or on behalf of the Shareholder giving it,
- (b) shall specify the date of appointment or removal (as the case may be), and

- (c) shall be given to the other Shareholders (at the address recorded for each such Shareholder in the Company's register of shareholders) and to the Company (at Company's registered office the marked for the attention of the directors),

and any such appointment or removal shall take effect when received by the Company or at such later time as may be specified in such notice

- 11 4 If a Director ceases to be qualified or permitted by law to act as a director of the Company, the Shareholder that appointed that Director pursuant to Article 11 2 shall procure that Director is immediately removed from office and shall be entitled to replace such Director with an alternative appointee in accordance with Article 11 2
- 11 5 If a Director shall be removed from or vacate office, the Shareholder that appointed that Director pursuant to Article 11 2 shall procure that the relevant Director is removed as a director of the Company and, subject to Article 11 3, shall be entitled to replace such Director with an alternative appointee in accordance with Article 11 2
- 11 6 If a Shareholder ceases to hold the number of Ordinary Shares required pursuant to Article 11 2 to maintain in office the Directors appointed by it under that Article, that Shareholder shall procure the immediate removal from office of such number of those Directors as is required to ensure that the Directors appointed by it and currently holding office as directors of the Company do not exceed its Director Entitlement
- 11 7 If a Shareholder is in default of Article 11 6 (in this Article 11 7, a **Defaulting Shareholder**)
- (a) any other Ordinary Shareholder may give written notice specifying the default and requiring it to be remedied (in this Article 11 7, a **Default Notice**) to the Defaulting Shareholder, copied to the Company and all other Shareholders, excluding itself, and
- (b) if the Defaulting Shareholder does not remedy the default specified in the Default Notice within 5 Business Days of the Default Notice being given in accordance with Article 11 7(a), the Shareholder who gave such notice (in this Article 11 7, the **Notifying Shareholder**) may by written notice (in this Article 11 7 and Article 11 8, a **Removal Notice**) to the Company copied to all other Shareholders (excluding itself) direct the removal from office of such number of Directors appointed by the Defaulting Shareholder pursuant to Article 11 2 as is required to ensure that the Directors appointed by Defaulting Shareholder and currently holding office as directors of the Company do not exceed the Defaulting Shareholder's Director Entitlement, and such Directors shall be automatically removed from office as directors of the Company with immediate effect
- 11 8 A Removal Notice must specify the Directors appointed by the Defaulting Shareholder pursuant to Article 11 2 to be removed from office as directors of the Company pursuant to it, who shall be selected by the Notifying Shareholder at its sole and absolute discretion
- 11 9 The rights to appoint and to remove Directors under Article 11 shall be class rights attaching to the Ordinary Shares
- 11 10 Notwithstanding any other provision in these Articles, no person may be appointed as a Director unless such person is willing to be appointed and act as a Director and is permitted to so by law

11 11 No Director shall be appointed or removed otherwise than pursuant to these Articles, save as provided by law

12 **Alternate Directors**

12 1 Any Director (other than an alternate director) (in this Article, the **Appointor**) may appoint any person (whether or not a Director) to be an alternate director to exercise that Director's powers, and carry out that Director's responsibilities, in relation to the taking of decisions by the Directors, in the absence of the alternate's Appointor. In these Articles, where the context so permits, the term "Director" shall include an alternate director appointed by a Director. A person may be appointed an alternate director by more than one Director.

12 2 Any appointment or removal of an alternate Director must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

12 3 The notice must

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the Director giving the notice.

12 4 An alternate director has the same rights, in relation to any decision of the Directors, as the alternate's Appointor.

12 5 Except as the Articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be Directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their Appointors, and
- (d) are not deemed to be agents of or for their Appointors,

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

12 6 A person who is an alternate director but not a Director

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating), and
- (b) may participate in a unanimous decision of the Directors (but only if his Appointor is an Eligible Director in relation to that decision, and does not himself participate).

12 7 A Director who is also an alternate director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).

12 8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a Director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.

- 12 9 An alternate director's appointment as an alternate terminates
- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
 - (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director, or
 - (c) when the alternate director's Appointor ceases to be a Director for whatever reason

Shares

13 Share Rights

13 1 Classes

Except as otherwise provided in these Articles, the Ordinary Shares and the Preferred Shares shall rank par passu in all respects but shall constitute separate classes of Shares

13 2 Voting

13 3 Share shall carry votes as follows

- (a) the Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company, and each Ordinary Share shall carry one vote, and
- (b) the Preferred Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company and shall not carry any votes

13 3 2 Where Shares confer a right to vote, votes may be exercised at a general meeting by every Shareholder who is entitled to vote at the general meeting and who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative not being himself a Shareholder or by proxy and each such Shareholder shall

- (a) on a show of hands have one vote, and
- (b) on a poll have one vote for every Ordinary Share of which he is the holder

13 3 3 A poll vote may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present (if an individual in person or by proxy and if a corporation by representative or proxy) and entitled to vote at the general meeting

13 3 4 Article 44(3) of the Model Articles shall be amended by the insertion of the words "*A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made*" as a new paragraph at the end of that article

13 4 Income

13 4 1 Subject to the Act and to the provisions of this Article 13 4, the profits of the Company available for distribution may be used to pay dividends of such amounts as the Directors may determine and recommend to the Shareholders, including dividends of differing amounts on different classes of Share, provided that any dividend declared on a class of Share shall be paid equally and on the same terms across all Shares within that class

13 4 2 The Company shall apply its profits available for distribution after making any necessary provisions for actual and contingent liabilities first in payment of a distribution or distributions totalling £800,000 on the Preferred Shares as a class (the **Preferred Amount**)

13 4 3 Following payment in full of the Preferred Amount, no further distribution shall be paid on the Preferred Shares

13 5 **Liquidation Preference**

On a return of assets on liquidation, capital reduction or otherwise the assets of the Company remaining after payment of its liabilities shall (to the extent lawfully permitted) be applied in the following order

(a) first, in paying to the holders of the Preferred Shares the sum of

(i) an amount equal to sum of subscriptions paid for the Preferred Shares, and

(ii) an amount equal to the Preferred Amount less an amount equal to the sum of all distributions made on the Preferred Shares,

pro rata to the proportion that the number of Preferred Shares held by each such Shareholder bears to the number of Preferred Shares in issue, and

(b) thereafter amongst the Ordinary Shareholders pro rata to the proportion that the number of Ordinary Shares held by each such Ordinary Shareholder bears to the number of Ordinary Shares in issue

13 6 **Variation**

13 6 1 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares Where a special resolution to vary the rights attaching to a class of Shares is proposed at 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, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative For the purpose of this Article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting

13 6 2 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares

(a) any alteration in the Articles, and

(b) any reduction, subdivision, consolidation, redenomination, purchase or redemption by the Company of the Shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital of the Company

14 **Allotment and Issue of Shares**

14 1 Subject to any Relevant Agreement, no shares in the Company shall be allotted or issued, nor shall any right to subscribe for or to convert any security into any shares in the Company shall be granted unless within one month before that allotment, issue or grant (as the case may be) every Shareholder for the time being has consented in writing to that allotment or grant and its terms and to the identity of the proposed allottee or grantee

- 14 2 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) where the consent to that allotment of every Shareholder has been obtained as required by these Articles and that allotment otherwise conforms to the requirements of these Articles

15 Further Issues of Shares: Authority

- 15 1 Subject to Article 14 and to the remaining provisions of this Article 15, the Directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to

- (a) offer or allot,
- (b) grant rights to subscribe for or to convert any security into, or
- (c) otherwise deal in, or dispose of,

any shares in the Company to any person, at any time and subject to any terms and conditions as the Directors think proper

- 15 2 The authority referred to in Article 15 1

- (a) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and
- (b) may only be exercised for a period of five years from the date of adoption of these Articles, save that the Directors may make an offer or agreement which would, or might, require 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)

16 Transfers of Shares

- 16 1 Subject to any Relevant Agreement and to Article 16 2, no Shareholder shall transfer, grant any security interest over, or otherwise dispose of or give any person any rights in or over any share or interest in any share in the Company to a person that is not an existing Shareholder unless it is permitted or required under these Articles and carried out in accordance with the terms of these Articles

- 16 2 A Shareholder may do anything prohibited by Article 16 1 if all other Shareholders have consented to it in writing

General Meetings

17 Quorum for General Meetings

- 17 1 Subject to Article 17 2, the quorum at any general meeting of the Company shall be two Shareholders present. Shareholders who are individuals may be present in person or by proxy and Shareholders who are corporations may be present by a representative (not being himself a Shareholder) or by proxy

- 17 2 If within 30 minutes from the time appointed for any general meeting of the Company a quorum is not present the meeting shall stand adjourned to the same day one week later (or if that day is not a Business Day to the next Business Day thereafter) at the same time and at the same location. If within 30 minutes from the time appointed for such adjourned general meeting two Shareholders are not present, any Shareholder present shall constitute a quorum and such meeting shall be quorate

- 17 3 No business shall be conducted at any meeting general meeting unless a quorum is present

- (a) at the beginning of the meeting, and
- (b) when such business is conducted and voted upon

18 **Chairing General Meetings**

The chairman of the Board shall chair general meetings. If the chairman of the Board is unable to attend any general meeting, the Shareholders present at the meeting shall nominate one of their number to act as chairman at the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

19 **Proxies at General Meetings**

- 19 1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate"
- 19 2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article

Administrative Arrangements

20 **Communications**

- 20 1 Subject to Article 20 2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient
 - (a) if delivered by hand, at the time of delivery, or
 - (b) if delivered by commercial courier, at the time of signature of the courier's delivery receipt, or
 - (c) if sent or supplied by electronic means, one hour after the notice was sent or supplied,
 - (d) if sent by pre-paid United Kingdom first class post to an address in the United Kingdom or recorded delivery, 48 hours after it was posted or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider, or
- 20 2 If deemed receipt under Article 20 1 is not within 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 receipt), when business next starts in the place of deemed receipt and all references to time are to local time in the place of deemed receipt
- 20 3 In proving that any notice, document or information was properly addressed, it shall suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act

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 of the Company 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 activities as a 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, 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 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(a) and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure

21 2 This Article 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

(a) a "relevant officer " means any Director or other officer or former Director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor, and

(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 or any pension fund of the Company