

CERTIFIED COPY RESOLUTION

JKM PROPERTY SERVICES LIMITED

incorporated in Scotland no SC138992

On 5th September 2007 the following WRITTEN RESOLUTION was passed

IT WAS RESOLVED

As An Ordinary Resolution

- 1 That the issued share capital of the Company, being £100,000 divided into 100 000 ordinary shares of £1 each be increased to £125,000 by the creation of 25,000 Ordinary shares of £1 each, each ranking in all respects with each other and all shares of that class and having the rights and restrictions set out in the Articles of Association and that the memorandum of association of the Company be altered accordingly.

As A Special Resolution

- 2 That the present Articles of Association be abrogated and thereupon replaced by adopting the new Articles attached to this resolution and approved without amendment


Company Secretary



THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

J.K.M. PROPERTY SERVICES LIMITED

(Adopted by Special Resolution passed on 5th September 2007)

INTERPRETATION

1 1 In the Articles of Association here set forth and as may be altered from time to time ("the articles" and the expression "article" or "Article" herein shall be construed accordingly) the expressions hereunder have the meanings set opposite them, and the following rules of interpretation apply, unless the context otherwise requires

1 1 1 "the Act" the Companies Act 1985 as amended and except only where the context does not so admit words and expressions in the articles shall have the same meaning as in the Act

1 1 2 "the Company" the company named above

1 1 3 "Consents" the written approval or consent of both the Investor and Mr Mitchell

1 1 4 "Directors" the board of directors of the Company from time to time

1 1 5 "Early Leaver" a Leaver prior to the third anniversary of him first becoming a Member of the Company

1 1 6 "Family Trust" a trust which only permits the settled property or the income therefrom to be applied for the benefit of

the settlor and/or Privileged Relation of that settlor, or

any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except such another charity or charities),

and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees of the settlor or the Privileged Relations of the settlor,

For the purposes of this definition, "settlor" includes a testator or an intestate in relation to a trust arising respectively under a testamentary disposition or an intestacy of a deceased shareholder

1 1 7	"Founders"	the Investor, Mr Mitchell and Mrs Mitchell
1 1 8	"Investor"	Solemotion Limited, registered in Scotland No SC111984 and having its Registered Office at Investment House, 6 Union Row, Aberdeen, AB10 1DQ
1 1 9	"Leaver"	any holder of shares other than Mr Clark, Mr Mitchell and Mrs Mitchell or a Privileged Relation thereof (but only in respect of shares received by that Privileged Relation under one of the Permitted Transfers), who is employed by or is a director of the Company and who ceases to be a director and/or employee of the Company For this purpose, a consultant shall be deemed to be an employee and references in these Articles to cessation of employment shall include cessation of consultancy services by that consultant or any Company which provides his services to the Company
1 1 10	"month"	a whole calendar month
1 1 11	"Mr Clark"	James Anderson Clark residing at 15 Earlsparck Road, Bieldside, Aberdeen, AB15 9BZ
1 1 12	"Mr Mitchell"	James Keith Mitchell, residing at 28 St John's Terrace, Aberdeen, AB15 7PH
1 1 13	"Mrs Mitchell"	Mrs Elizabeth Mitchell, mother of Mr Mitchell, residing at 2 Deemount Gardens, Aberdeen, AB11 7UE
1 1 14	"office"	the registered office for the time being of the Company
1 1 15	"paid up"	includes credited as paid up
1 1 16	"Permitted Transfers"	the transfers referred to in Article 32

- 1 1 17 "Privileged Relation" the spouse or parent of a Founder or a Founder's children and grandchildren (including step and adopted children and their issue) and step and adopted children of a Founder's children
- 1 1 18 "Profit after Tax" the amount of profit (if any) of the Company for its financial year, as shown in the statutory accounts of the Company for that year
- a) before any provision or reserve has been made for or in respect of
- i the payment of any dividend or other distribution or the transfer of any sum to reserves,
- ii the amortisation or writing off of goodwill,
- iii any exceptional items which reduce that profit, and
- b) after provision has been made for corporation tax (or any other tax levied on, or measured by reference to, profits earned by the Company)
- 1 1 19 "Qualifying Reason" circumstances which constitute either (a) death or (b) redundancy or (c) retirement on attainment of age 65 or retirement through ill health, injury or disability (except where such is self inflicted or results from the person's negligence, recklessness or wilful act or omission)
- 1 1 20 "the register" the register of members to be kept under Section 352 of the Act
- 1 1 21 "the seal" any common seal of the Company adopted by the Company
- 1 1 22 "secretary" any person who is appointed to hold office as Company Secretary of the Company,
- 1 1 23 "Specified Price" the price for the transferring shares calculated by (1) taking the Profit after Tax of the Company as shown or to be shown in the audited accounts of the Company for its immediately preceding financial year, then (2) dividing the said Profit

after Tax by the number of ordinary shares issued by the Company and then (3) multiplying that resultant figure by the aggregate number of transferring shares, and

1 1 24 "writing" includes lithography, photography, printing, typewriting, facsimile transmission and other visible forms of text

1 2 Statutory reference in the articles include the statute as amended, extended or applied by or under any other statutory provision or as re enacted and unless the context otherwise requires, words or expressions have the same meaning as in the Act as in force at the date of the articles

1 3 Words importing

1 3 1 individuals include corporations,

1 3 2 one gender include the other gender,

1 3 3 the singular include the plural.

1 4 The headings shall not have any effect as to the interpretation, meaning or construction of the articles

1 5 The articles are subject to the Act except that Table A in the Companies (Tables A to F) Regulations 1985 (as amended) shall not apply to the Company

1 6 The members for the time being are deemed to be bound by the articles and acknowledge the effect under Section 14 of the Act as to the Memorandum and Articles of Association of the Company

SHARE CAPITAL

2 The share capital of the Company at the time of adoption of these articles is £125,000 divided into 125,000 ordinary shares of £1 each The said ordinary shares rank *pari passu*

3 1 The shares and any right to subscribe for, or to convert any security into, shares in the Company for the time being (other than shares shown in the Memorandum to have been taken by the subscribers thereto or shares allotted in pursuance of an employees' share scheme) may be allotted and issued to such persons, at such times, in such proportions, upon such terms (other than at a discount) and with such rights or restrictions, including but without limitation as to differentiation between members of calls, and without prejudice to the generality thereof in consideration in whole or in part for any property or services for the benefit of the Company and credited therefor as fully or partly paid up, as the Directors (provided they have the Consents), subject nevertheless to the articles, shall think fit

- 3 2 The Directors (provided they have the Consents) are authorised to exercise generally and unconditionally the power of allotment and issue of securities in the capital of the Company subject as aforesaid, but so that such authority will expire on the date of the fifth anniversary of the adoption of the articles, except that thereafter the Directors may exercise the said power of allotment (provided they have the Consents) in pursuance of an offer or agreement made by the Company before such date or in pursuance of any authority given in accordance with the Act
- 3 3 The Directors (provided they have the Consents) shall have power to allot securities in the capital of the Company as if any statutory pre-emption rights be excluded and do not apply thereto pursuant to the provisions in that behalf in the Act. The maximum amount of shares that may be allotted hereunder is the nominal amount thereof for the time being, but only until the date of the fifth anniversary aforesaid, of authorised but unissued share capital of the Company
- 4 1 The Company may (provided it has the Consents) in accordance with and subject to Part V of the Act and all other provisions (if any) in force for the time being therefor
- 4 1 1 give financial assistance for the purpose of any acquisition of shares in the Company or its holding company, or subsidiary of its holding company if any,
- 4 1 2 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or of the holder thereof on such terms and in such manner as may be provided by the articles except that no redeemable shares may be issued at any time when there are no issued shares of the Company which are not redeemable. Provided always that any purchase by the Company of redeemable shares not made shall be limited to any maximum price determined by the Company in general meeting
- 4 1 3 purchase its own shares including its own redeemable shares, and
- 4 1 4 make a payment in respect of the redemption or purchase of any of its own paid up shares otherwise than out of the distributable profits of the Company or the proceeds of a fresh issue of shares and as to redemption on such date or dates (to be fixed prior to the issue of such shares) and terms and in such manner as may be determined at any time or times by the Directors. Provided nevertheless that the amount to be paid on redemption shall be fixed on, and by the terms of the issue of the shares
- 4 2 Any shares purchased or redeemed by the Company shall be treated as cancelled

- 5 The Company shall not allot any share, other than shares in pursuance of an employees' share scheme, except as paid up at least as to one quarter of the nominal value of the share and the whole of any premium on it
- 6 The Company may (provided it has the Consents) pay to any person in respect of subscribing, whether or not conditionally, for shares in the capital of the Company, whether or not fully paid, commission not exceeding 10% of the price at which the shares in the Company attracting the commission are issued, whether in cash, shares credited as fully paid or in some other form and whether or not out of capital as the Directors may determine subject nevertheless to Section 97 of the Act, and the Company may (provided it has the Consents) pay lawful brokerage
- 7 The Company may (provided it has the Consents) at any time or times, by ordinary resolution (unless otherwise provided in the articles) but without being unfairly prejudicial to the interests of some part of the members
- 7 1 increase its share capital,
- 7 2 consolidate or divide all or any of its shares into shares of a larger or smaller amount,
- 7 3 cancel shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled,
- 7 4 by special resolution reduce its share capital, any capital redemption reserve, and any share premium account in any way, and
- 7 5 subject to articles 10 1 and 10 2 , may attach to any shares preferential, deferred, qualified or special rights, privileges and conditions or any restrictions or limitations whatsoever and alter the same or any of them subject to the articles as may be resolved
- 8 Whenever as a result of a consolidation or rights or bonus issue of shares any members would become entitled to fractions of a share, the Directors may, subject to Article 3 hereof, sell on behalf of those members, the shares representing the fractions for the best price reasonably obtainable to any person (including the Company) and distribute the proceeds of sale in due proportion among those members, and the Directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall the title thereof to the shares be affected by any irregularity in the proceedings in respect of the sale
- 9 1 Except as required by law, the Company may but shall not be bound by or compelled in any way, to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fractional part of

a share or (except only as by the articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder

- 9 2 The Directors may by notice in writing at any time or times require any member ("the requisitioned member") who holds any shares ("the investigated shares") in the capital of the Company to identify the absolute beneficial owner of the investigated shares. So long as the requisitioned member does not identify the absolute beneficial owner of the investigated shares the requisitioned member, so far as the Directors shall think fit in respect of the investigated shares or any of them, shall not be entitled to

9 2 1 transfer them,

9 2 2 receive notice of, attend (whether personally or by proxy), speak or vote at any general meeting of the Company,

9 2 3 receive any distribution whether by way of dividend, interim dividend, or surplus on a winding up, and

9 2 4 acquire or renounce the right to other shares issued by the Company

VARIATION OF RIGHTS

- 10 1 Unless otherwise provided by the rights attached to any shares, those rights shall be deemed to be varied by a reduction of the capital paid up on them and by the allotment of further shares ranking in priority for payment of dividends or in respect of capital or which confer voting rights more favourable than those conferred by such first mentioned shares, but shall not otherwise be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith

- 10 2 The Company shall give notice of the rights attaching to different classes of shares (if any) to the Registrar of Companies as is required by Section 128 of the Act, and the rights attached to any class or any of such rights (unless otherwise provided by the terms of issue of the shares of that class) may, subject to Sections 125 and 127 of the act, be modified, abrogated, or varied with the consent in writing of the holders of three fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class, but not otherwise. To every such separate general meeting the provisions of these articles relating to general meetings shall apply, *mutatis mutandis*

CERTIFICATES

- 11 1 Subject to the terms of issue of the shares, the articles and to Section 185 of the Act the Directors shall determine all arrangements for the issue of share certificates, and every such certificate shall be distinguished by number and specify the number and class of shares to which it relates and the amount paid up thereon. The Company shall not issue any certificate representing shares of

more than one class and the issue of one certificate to the first named of joint holders shall be sufficient in respect of a joint holding. In the event of the Company adopting a seal under article 84 they shall be issued under the seal

11 2 A share registered in the capital of the Company shall not be converted into uncertificated form without the prior approval by resolution passed in general meeting of the members, or, as the case may be, in a meeting of the members holding shares of the class proposed to be converted as aforesaid

12 The certificate of any security issued or granted by the Company which is defaced, lost, worn out or destroyed may be renewed, subject as the case may be to article 13 2, without payment of any fee but on such terms as to evidence and indemnity, and the payment of all expenses of the Company of investigating evidence, as the directors shall think fit, and on the return to the Company of any certificate to be renewed which is defaced or worn out

13 1 The Company, if the Directors think fit, and subject to such terms and conditions (if any) as to requisition of, or submitting any resolution to, or attending and voting at any meeting and as to any other matter as they may from time to time decide, may

13 1 1 issue under the seal (if any) a warrant with respect to any fully paid up shares stating that the bearer of the warrant is entitled to the shares therein specified, and

13 1 2 provide by coupons or otherwise for the payment of future dividends on the shares included in the warrant

provided always that the shares specified as aforesaid may be transferred by delivery of the warrant, the holder of any such warrant may surrender the same at any time for cancellation and thereupon the name thereof shall be entered as a member in the register, and the bearer of any share warrant issued by the Company shall be deemed to be a member of the Company subject as aforesaid to the full extent

13 2 A new warrant shall not be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed

CALLS ON SHARES AND INTEREST

14 1 The Directors may make calls from time to time on members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. A call may be revoked, or postponed in whole or in part as the Directors may determine.

14 2 Each member shall pay to the Company the amount called on the shares thereof in accordance with and subject to receiving at least 14 clear days' notice

specifying the time or times and place of payment whether by one or more instalments

- 15 A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be required to be paid by instalments
- 16 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof
- 17 If a call remains unpaid after it has become due and payable the person from whom the sum is due shall until it is paid pay -
- 17 1 interest at the rate fixed by the terms of allotment of the share or in the notice of the call but the Directors may waive payment of the interest wholly or in part, and
- 17 2 all costs, charges and expenses that may have been incurred by the Company by reason of such non payment
- 18 A sum payable in respect of a share on an allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call, and if it is not paid the articles shall apply as if that sum had become due and payable by virtue of a call
- 19 The Directors may (provided they have the Consents) differentiate between the holders on the issue of shares as to the amount of calls to be paid and the times of payment
- 20 If any notice of call on any share is not complied with the share may be forfeited by resolution of the Directors (provided they have the Consents) before the payment required by the notice has been made, and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture The Directors shall enter in the register a note of forfeiture against all shares thereby affected
- 21 A forfeited share may be sold or otherwise disposed of on such terms and in such a manner as the Directors determine (provided they have the Consents) either to the person who was before the forfeiture the holder or to any other person Where for the purpose of its disposal a forfeited share is to be transferred to any person the Directors may authorise some person to execute an instrument of transfer of the share to that person A share, unless previously disposed of, shall be cancelled not later than three years from forfeiture by the Company
- 22 A person shall cease to be a member in respect of any shares upon the Directors resolving to forfeit them and that person shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were payable thereon

to the Company in respect of those shares with interest at such rate as may be fixed by the terms of allotment of the shares or in the notice of the call from the date of forfeiture until payment, but the Directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal

- 23 A statutory declaration by a Director or the secretary that a share has been forfeited or surrendered on a specified date or sold to satisfy a lien shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall not be bound to see to the application of any consideration nor shall the title thereof to the share be effected by any irregularity in the proceedings in reference to the forfeiture or disposal of the share
- 24 The Directors may receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares, whether on account of the nominal value of the shares or by way of premium, and the Directors may pay interest out of the distributable profits of the Company at such a rate as they may decide upon all or any of the moneys so paid in advance until the same would become presently payable provided always that the payment of such monies shall not entitle the holder of any shares as aforesaid to participate in respect thereof in a dividend subsequently declared

LIEN

25. The Company shall have a first and paramount lien on every share (not being a fully paid up share) registered in the name of any person or persons indebted or under any liability to the Company, but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this article. The Company's lien on a share shall extend to all dividends or other distributions payable in respect of it
- 26 The Company may sell or purchase in such a manner as the Directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen days after notice demanding payment has been given to the holder of the share or to the person entitled to it by reason of the death or bankruptcy of the holder
- 27 To give effect to a sale as hereinafter mentioned the Directors shall authorise a person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser
- 28 The proceeds of sale, after payment of all expenses, shall be received and applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall be paid to the person entitled to the shares at the date of their sale upon surrender to the Company for cancellation

of the certificate for the share sold but subject to a like lien for any monies not presently payable as existed upon the shares before the sale

TRANSFER OF SHARES

- 29 The instrument of transfer of any shares may be in any usual form or in any other form which the Directors may approve and shall be signed by or on behalf of the transferor and, unless the share is fully paid up, by or on behalf of the transferee, but the transferor shall remain the owner thereof until the name of the transferee is entered in the register therefor. The Company shall not charge any fee in respect of registering any instrument of transfer or probate or letters of administration or certificate of marriage or death or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the register affecting the title to any shares. The Directors shall register the transfer of any fully paid up shares presented in accordance with article 30
- 30 1 The Directors shall not register an instrument of transfer unless
- 30 1 1 it is duly stamped and
- 30 1 2 lodged at the office or at such other place as the Directors may appoint and is accompanied subject to article 12, by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and
- 30 1 3 it is in respect of only one class of shares, and
- 30 1 4 the transferee (not already being a member) is a person or party whom the Directors approve to become a member of the Company (the Directors not being obliged to disclose reasons for approval or non approval), provided that this Article shall not apply to any of the Permitted Transfers, and
- 30 1 5 the transfer provisions in the Articles have been complied with
- 30 2 The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Directors may determine provided that this Article shall not apply to Permitted Transfers
- 30 3 The Company shall not return to the transferor any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall be returned to the person depositing it

31 TRANSFER OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

- 31 1 Except where the special provisions of Articles 32, 33, 34, 35, 36 and 37 apply, any transfer of shares shall be subjected to the pre-emption rights and other provisions contained in this Article 31
- 31 2 Any member proposing to transfer or required to transfer shares in the Company (hereinafter referred to as a "Seller") shall, before transferring or agreeing to transfer any shares, give a notice (a "Transfer Notice") to the Company specifying
- a) the number of shares he wishes to transfer ("the Sale Shares"),
 - b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee, and
 - c) whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to all other shareholders (**Minimum Transfer Condition**)
- 31 2 1 Once given (or deemed to have been given) under these Articles, a Transfer Notice may not be withdrawn (except with the Consents)
- 31 2 2 As soon as practicable following the later of
- a) receipt of a Transfer Notice, or
 - b) where the Specified Price has not been determined, the determination of the Specified Price
- the Directors shall offer the Sale Shares for sale to the existing shareholders in the manner set out in Articles 31 2 3 to Article 31 4 (both inclusive) Each offer shall be in writing and give details of the number and Specified Price of the Sale Shares offered
- 31 2 3 The Directors shall offer them in the following priority
- a) first, to Mr Mitchell and to the Investor *pro rata* to their existing shareholdings, and
 - b) second, to any Privileged Relations of Mr Mitchell as shall be nominated by Mr Mitchell in such order and in such proportion (if more than one) as Mr Mitchell shall determine, and
 - c) third, to any trustees of any Family Trusts created by Mr Mitchell as shall be nominated by Mr Mitchell in such order and in such proportion (if more than one) as Mr Mitchell shall determine, and
 - d) fourth, to Mrs Mitchell, and

e) lastly, to the Continuing Shareholders (as defined in Article 31 2 4) (including for the avoidance of doubt those listed above in this Article) who qualify as Continuing Shareholders

- 31 2 4 Subject to Article 31 2 3, the Board shall offer the Sale Shares to all shareholders other than the Seller (**Continuing Shareholders**) inviting them to apply in writing within the period from the date on which the Specified Price has been determined and notified to the Continuing Shareholders to a date 30 days after such notification (**First Offer Period**) for the maximum number of Sale Shares they wish to buy
- 31 2 5 If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under this Article shall be conditional on the fulfilment of the Minimum Transfer Condition
- 31 2 6 If, 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 Continuing Shareholder in the proportion which his existing holding of shares bears the total number of shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded to the nearest whole number. 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
- 31 2 7 If, 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 Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance (**Initial Surplus Shares**) shall be dealt with in accordance with article 31 3
- 31 3 1 At the end of the First Offer Period, the Directors shall offer the Initial Surplus Shares to all the Continuing Shareholders, inviting them to apply in writing within the period from the date of the offer to the date 14 days after the date of the offer (inclusive) (**Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy
- 31 3 2 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder in the proportion that his existing holding of shares bears to the total number of shares (including Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. Fractional entitlements shall be rounded to the nearest whole number. 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
- 31 3 3 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance

with their applications, provided that 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

31 4

If the Transfer Notice includes a Minimum Transfer Condition and the total number of shares applied for is less than the number of Sale Shares, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under this Article 31 stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

If

- a) the Transfer Notice does not include a Minimum Transfer Condition and allocations have been made in respect of all or some of the Sale Shares, or
- b) the Transfer Notice includes a Minimum Transfer Condition and allocations have been made in respect of all the Sale Shares

the Directors shall, when no further offers are required to be made under Article 31, give written notice of allocation (**Allocation Notice**) to the Seller and each shareholder to whom Sale Shares have been allocated (**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 10 Business Days and not more than 30 Business Days after the date of the Allocation Notice)

31 5

On the service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it

If the Seller fails to comply with this Article 31 5

- a) the Chairman of the Company (or, failing him, one of the Directors, or some other person nominated by a resolution of the Directors), may, 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, and
 - ii receive the Specified Price and give good discharge for it, 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 Specified Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered the certificate 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 Directors may reasonably require to prove good title to those Shares) to the Company

- 31 6 The restrictions imposed by this Article 31 may be waived in relation to any proposed transfer of shares with the consent of all shareholders who, but for the waiver, would or might have been entitled to have such shares offered to them in accordance with this Article

Permitted Transfers

- 32 The Directors shall be obliged to register any transfers, provided they comply with Articles 30 1 1 to 30 1 3 (inclusive) between any of the following parties

- 32 1 Mr Mitchell, Mrs Mitchell, and Privileged Relations of Mr Mitchell or Mrs Mitchell, any Family Trust created by Mr Mitchell, any Family Trust created by Mrs Mitchell, any trustees of a Family Trust created by either Mr Mitchell or Mrs Mitchell or new trustees of such Family Trust, or

- 32 2 the Investor and any of the parties in Article 32 1, or

- 32 3 the Investor and Mr Clark

The rights of pre-emption set out in these Articles shall not apply to any of these Permitted Transfers

33 Leavers

- 33 1 Any Leaver shall (whether or not he has already done so) be deemed on the date of cessation of employment and/or directorship (as the case may be) to have served a Transfer Notice under Article 31 in respect of his entire holding of shares and the price for such shares shall be determined in accordance with Articles 33 2 or 33 3 or 33 4. Any Transfer Notice for which no Allocation Notice has been given prior to the Leaver becoming a Leaver shall lapse on him becoming a Leaver

- 33 2 Where the Leaver is an Early Leaver, regardless of the reason for becoming a Leaver, the price in respect of the shares the subject of a Transfer Notice hereby deemed to be given pursuant to Article 31, shall be the original amount paid by the Leaver for the shares held by him and not the Specified Price

- 33 3 Where the Leaver is not an Early Leaver and leaves for a reason which is not a Qualifying Reason the price in respect of the share the subject of a Transfer Notice deemed to be given pursuant to Article 31, shall be the higher of (a) one third of the Specified Price or (b) the original amount paid by the Leaver for the shares held by him

33 4 Where the Leaver is not an Early Leaver and leaves for a reason which is a Qualifying Reason, the price in respect of the shares the subject of a Transfer Notice deemed to be given pursuant to Article 31, shall be the Specified Price

33 5 All voting rights attached to the Leaver's shares shall be suspended on the date he becomes a Leaver (**Restricted Shares**) Provided that the holders of Restricted Shares shall have the right to receive a notice of and to attend all general meetings of the Company, but shall have no right to vote either in person or by proxy.

33 6 All voting rights attached to the Restricted Shares transferred under this Article 33 shall be automatically restored on completion of the transfer

34 **Compulsory Transfers**

34 1 A person entitled to a share in consequence of the bankruptcy of a shareholder shall be regarded as giving a Transfer Notice in relation to such share at such time as the Directors determine

34 2 If a company that is a shareholder resolves to appoint a liquidator, administrator or administrative receiver over its (or a material part of its) business, then except where such appointment relates to a solvent winding up, including a members' voluntary winding up, that shareholder shall be regarded as giving a Transfer Notice in respect of all shares held by it at such time as the Directors determine

35 **Drag Along**

35 1 If the holders of 70% of the shares in issue for the time being (**Selling Shareholders**) wish to transfer all of their interest in their shares (**Sellers' Shares**) to a bona fide arms' length purchaser (**Proposed Buyer**), the Selling Shareholders may require all the other holders of shares (**Called Shareholders**) to sell and transfer all their shares to the Proposed Buyer or as the Proposed Buyer directs in accordance with the provisions of this Article (**Drag Along Option**)

35 2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer The Drag Along Notice shall specify that

- a) the Called Shareholders are required to transfer all their shares (**Called Shares**) pursuant to this Article 35,
- b) the person to whom the Called Shares are to be transferred,
- c) the consideration payable for the Called Shares calculated and specified in Article 35 4 below, and
- d) the proposed date of the transfer

- 35 3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 45 days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice (whether relating to the same Proposed Buyer or not).
- 35 4 The Called Shareholders shall sell each Called Share for the same amount per share to be paid whether in cash or in any other form of consideration, by the Proposed Buyer for the Sellers' Shares.
- 35 5 The Called Shareholders (excepting the Investor) shall be required to give the same warranties and indemnities (on a joint and several basis if required by the Proposed Buyer) as shall be given by the Selling Shareholder (excepting the Investor) and shall be required to grant such restrictive covenants as may be given by Mr Mitchell to the Proposed Buyer (provided they are no more onerous than given by them to the Company).
- 35 6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise.
- 35 7 The rights of pre-emption set out in these Articles shall not apply to any transfer of shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly served.
- 35 8 Within two days of the Proposed Buyer serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company. The Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due pursuant to Article 35.4. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 35.4 in trust for the Called Shareholders without any obligation to pay interest.
- 35 9 If any Called Shareholder does not timeously deliver execution of transfer(s) in respect of all the Called Shares held by him, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, deliver such transfer(s) to the Proposed Buyer (or its nominee) to be registered as the holder, the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to the registration of shares under this Article that a share certificate has not been produced.
- 35 10 Following the issue of a Drag Along Notice, any person becoming a shareholder of the Company pursuant to the exercise of a pre-existing option to acquire

shares in the Company or on the conversion of any convertible security of the Company (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 35 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

36 **General Offer**

36 1 Notwithstanding anything contained in these Articles, no sale or transfer of any shares to any person whomsoever conferring the right to vote at general meetings of the Company which would result if made and registered in a person who was not a Founder or permitted transferee by virtue of one or more Permitted Transfers (whether alone or together with one or more persons acting in concert with such person who were also not Founders (or permitted transferees as aforesaid)) acquiring a controlling interest, shall be made or registered unless before the transfer is lodged for registration the proposed transferee has made an offer (stipulated to be open for acceptance for twenty eight days) to all relevant shareholders to purchase all the other shares at a price not less than the price being offered by the proposed transferee to the other shareholders, together in each case with a sum equal to any arrears, deficiency or accruals of any declared dividends (and all interest payable thereon) to be calculated to the date of the offer. Every shareholder shall be bound within twenty eight days of the making of such offer to him either to accept or reject it in writing (and in default of so doing shall be deemed to have rejected the offer).

36 2 For the purpose of Article 36 1

36 2 1 the expression "acting in concert" shall have the meaning attributed to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers as existing at the time of the offer by the proposed transferee is made

36 2 2 the expression "a controlling interest" shall mean shares conferring in aggregate 70% or more of the total voting rights conferred by all the shares conferring at the date of sale or transfer the right to vote at general meetings in substantially the same circumstances

36 2 3 the expressions "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renounee under any such letter of allotment

37. **TRANSMISSION OF SHARES**

37 1 If at the time of the death thereof a person who was a member, the survivor or survivors where that person was a joint holder, and the personal representatives thereof where that person was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any interest in that person, but nothing herein contained shall release the estate of the deceased member from any liability in respect of any share which had been jointly held thereby

37 2 Any person becoming entitled to a share in consequence of the death or bankruptcy of a member, upon such evidence being produced as the Directors may properly require, may apply either to become the registered holder of the share or to have some person nominated by him registered as the transferee. If he applies to become the holder he shall give notice to the Company to that effect. If he applies to have another person registered, he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.

37 3 A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend, speak or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company. The Directors may in their absolute discretion and without assigning any reason therefor refuse to register any person as the holder of shares acquired following the death or bankruptcy of a member.

38. GENERAL MEETING

38 1 All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it, and not more than 15 months shall elapse between the date of one annual general meeting of the Company and that of the next provided that so long as the Company holds its first annual general meeting within 18 months of its incorporation or in the following year. The Annual General Meeting shall be held at such time and place as the Directors shall determine.

39 1 The Directors may call general meetings and by not less than 5 days' prior notice in writing may postpone any general meeting by not more than 30 days and not more than once. If there are not within the United Kingdom sufficient Directors to form a quorum, any Director or any one or more of the members of the Company may call a general meeting.

39 2 The Directors shall convene any general meeting within not more than 30 days of receipt of notice in one or more documents in like form therefor signed by holders of shares in the capital of the Company conferring not less than 10% of the voting

rights that may be cast at any general meeting, and in default thereof such holders may convene the general meeting thereby required on not less than 14 but not more than 30 days' notice

- 39 3 Any general meeting may be convened by notice of less than any period specified by the articles or the Act or otherwise if so agreed by the holders of shares conferring not less than 95% of the votes that may be cast at such meeting provided always that every notice convening any general meeting shall indicate that a member entitled to attend and vote thereat may appoint a proxy who need not be a member of the Company to attend and vote at that meeting and that the accidental omission to give any notice of any general meeting shall not invalidate the proceedings thereat so long as the holders of shares conferring not less than 75% of the votes which may be cast thereat received notice of the meeting

40. PROCEEDINGS AT GENERAL MEETINGS

- 40 1 Routine business as required to be specified in the notice of any Annual General Meeting shall comprise laying and considering every document required to be included in the accounts of the Company in respect of each accounting reference period, electing Directors in place of those retiring, or re electing Directors retiring, appointing auditors and fixing their remuneration, and declaring dividends All other business at any meeting shall be special and notice of any general meeting shall give particulars of all special business Business shall not be transacted at any general meeting unless a quorum is present
- 40 2 Subject to article 10 and as hereinafter provided persons entitled to cast not less than 70% of the votes upon the business to be transacted, being members or proxies for members or a duly authorised representative of a corporation, shall be a quorum If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such time and place as the Directors may determine At any adjourned meeting one person entitled to cast not less than 20% of the votes upon the business to be transacted being a member or a proxy for a member or a duly authorised representative of a corporation shall be a quorum If at the adjourned meeting a quorum is not present within 15 minutes from the time appointed for the meeting, the meeting shall be deemed inquorate
- 40 3 It shall be the duty of the Chairman, if any, of the Board of Directors, or in the absence of the Chairman, some other Director nominated by the Directors to attend and preside as Chairman of the meeting, but if neither the Chairman nor such other Director (if any) be present within 15 minutes after the time appointed for holding the meeting, or if present is unwilling to act, the Directors present shall elect one of their number or, if none are present, the members shall elect one of their number, to be Chairman

- 40 4 A Director may attend and speak at any general meeting and at any separate meeting of the holders of any class of shares of the Company whether or not such Director is a member unless otherwise resolved by the members or the holders of the relevant class of shares as the case may be
- 41 1 With the consent of the meeting at which a quorum is present the Chairman may and shall adjourn the meeting as may be resolved thereby from time to time and from place to place, but an adjourned meeting shall not transact any business whether by a show of hands or on a poll other than business which might not have been transacted properly at the meeting from which the adjournment took place
- 41 2 When a meeting is adjourned for 30 days or more, at least 7 clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business other than routine business to be transacted. Otherwise, it shall be necessary to give notice of an adjournment
- 42 A poll may be demanded on or before the declaration of the result of a resolution decided by a show of hands. A poll may be demanded by
- 42 1 the chairman,
 - 42 2 any two or more members having the right to vote at the meeting,
 - 42 3 any member representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting and
 - 42 4 any member holding shares which confer a right to vote at the meeting and on which there has been paid up not less than an amount equal to one tenth of the total sum paid up on all the shares conferring that right
- 43 The minutes of any general meeting once approved by the Directors shall be conclusive evidence that a resolution has been carried or lost
- 44 The demand for a poll may be withdrawn with the consent of the Chairman, and the result of a show of hands shall be valid and the meeting may continue notwithstanding such withdrawal
- 45 A poll shall be taken at such time, subject to articles 48 and 49, and at such place, scrutineers appointed, and a time and place for declaring the results shall be fixed, all as the Chairman shall direct
- 46 The Chairman shall have a casting vote on an equality of votes as well as any other vote the Chairman may have as a member
- 47 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the Chairman directs not being more than 30 days from the conclusion of the meeting. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded

48 Seven days' notice clear of the date of service shall be given specifying the time and place at which a poll is to be taken unless it is taken at the meeting when it is demanded

49 Any resolution signed by or on behalf of every member who would have been entitled to vote upon the resolution if it had been proposed at a general meeting shall be deemed to be passed, and it may consist of several instruments in like form each signed by one or more of the members

50. VOTES OF MEMBERS

50 1 Every person registered as a member present at any meeting in person or by proxy or represented under Section 375 of the Act shall have one vote, except

50 1 1 as may be restricted by the terms of issue of the shares,

50 1 2 if such person is in default of a call,

50 1 3 as may be resolved by the Directors if such person fails to give any information with respect to shares in the Company under article 9 2,

50 2 if such vote is transmitted electronically, the electronic transmission of a vote being invalid

51 1 On a poll every member except as aforesaid shall have one vote for each share of which such member is the registered holder

51 2 The vote of any member whose name stands first in the register in respect of shares held jointly shall be accepted to the exclusion of the votes of the other joint holders

52 Representatives of a former holder of any share shall not exercise any rights attaching thereto without depositing, at the office or at such other place as is specified in accordance with the articles for the deposit of the instruments of proxy whichever is the less of either 24 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised or the period of notice actually given at such meeting, evidence to the reasonable satisfaction of the Directors of the authority of the person claiming to exercise the right to vote and in default thereof the right to vote shall not be exercisable

53 A member shall not vote at any general meeting, either in person or by proxy, or in respect of any share thereby held for so long as any call thereon remains unpaid after the date fixed for its payment or any interest due in respect thereof is unpaid

54 A proxy need not be a member Subject as aforesaid, a member may vote in person or by proxy on a show of hands or on a poll The appointment of a proxy may be in the following form, or as near thereto as circumstances shall admit

APPOINTMENT OF PROXY

I/WE

of

being a member/members of

("the Company") whose Registered Office is at

HEREBY APPOINT

of

or, failing that person,

of

as my/our proxy to vote for me/us on my/our behalf at the extraordinary/annual/final/general/class holders' meeting of the Company

pursuant to the notice of such meeting to be held on

and at any adjournment of it

Signed _____
The appointor/s

Name(s) _____

Dated _____

Please indicate the amount of shares in the capital of the Company registered in your name

the class thereof _____

and the registered number(s) (if any) _____

Put only the address of the first of joint members, but any joint member may appoint a proxy

Any member of the Company entitled to attend, speak and vote at the above mentioned meeting may appoint a proxy to attend, speak and, on a poll, vote instead of that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company, but must attend the meeting in person to represent you

If this form is returned without any indication as to how the proxy shall vote, the proxy will be free to vote on any particular matter as he or she thinks fit, or to abstain from voting. Please initial all alterations made to this form, and you may wish to fill in the space above, for example, as follows:

for/against the resolution(s) numbered / / / and

for/against the resolution(s) numbered / / /

This form will not be valid unless deposited not less than 48 hours before the meeting or as the case may be 48 hours before taking a poll. This form should be returned to the registered office of the Company, by delivery, postal service or by electronic means, except only as otherwise instructed in the notice convening the meeting.

An individual member or attorney therefor must sign this form. If the appointor is a corporation, then this form should be executed as a deed, or signed by a person duly authorised in that behalf. Evidence of that authority must be produced. If the appointor is a Scottish firm the appointor signs the firm's name. If the appointor is a non Scottish firm, the appointor signs the firm's trading name and add for example "by John Smith, Partner in the said firm".

Proxy Form No

- 55 Every vote shall be valid unless disallowed at the meeting when it was cast or unless transmitted electronically, and any objection shall be determined by the Chairman, whose decision shall be final and conclusive.
- 56 A member may use all or any of the votes thereof or cast them in the same or different ways.
- 57 A member may appoint one proxy or more to attend on the same occasion by instrument in writing in the above or any usual form or in any other form which is approved by the Directors and signed by or on behalf of the appointor.
- 58 The appointment of a proxy, and any authority under which it is executed or a copy certified notari ally or in some other way approved by the Directors, shall,
- 58 1 in the case of an instrument in writing, be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or
- 58 2 in the case of a poll, shall be deposited or received not less than 24 hours before the time appointed for the taking of the poll.

59 1 In default the instrument of proxy shall be invalid In this article, "address", in relation to electronic communications includes any number or address used for the purposes of such communications

59 2 In these Articles of Association, "electronic" means actuated by electric, magnetic, electro magnetic, electro chemical or electro mechanical energy and "electronic means" means by any manner only capable of being so actuated, examples of which are fax, CD ROM, e mail or making information available on a website Where the Articles of Association refer to the sending of, delivery of or receipt by a Member or debenture holder it shall be competent to do so electronically where the Member or Debenture holder has given prior consent thereto, and has provided the Company with an address which in such circumstances will be the electronic transmission number or other means of despatch

60 The vote of a proxy or of the representative of a former holder or of a corporation shall be valid unless the authority of the proxy is revoked or determined and notice in writing of such revocation or determination was received by the Chairman of the meeting before the vote was cast

NUMBER OF DIRECTORS

61 The number of Directors may be fixed by the Company, but unless and until so fixed there shall be no maximum and no minimum number of Directors Where the number of Directors at any one time is two or three then two directors shall constitute together a quorum Where the number of directors is more than three then the total number of Directors minus two shall constitute a quorum Where the number of Directors at any one time is one director alone he shall constitute a quorum and in each case shall have full authority to exercise all the powers of the Company

ALTERNATE DIRECTORS

62 Each Director shall have power from time to time to nominate another Director, or any person not being a Director who has been approved for the purpose by a majority of the other Directors, to act as the alternate thereof, and at the discretion of such Director to remove such alternate Director, save that any person not being a Director who is appointed as an alternate shall not appoint an alternate Director, and each alternate Director

63 1 shall be subject to all the terms and conditions existing with reference to the other Directors except as to power to appoint an alternate Director and remuneration, and, subject to giving the Company an address at which notices may be served thereon, shall be entitled to receive notice of all meetings of the Directors and shareholders and to attend, speak and vote at any such meeting at which the appointor thereof is entitled to be, but is not, present,

63 2 may act as alternate Director to more than one Director, and while so acting such person shall be entitled to a separate vote for each Director thereby represented,

and if any such alternate is a Director the vote or votes thereof as an alternate Director shall be in addition to the vote thereof as a Director,

- 63 3 may be appointed or removed as an alternate Director by letter, telex, facsimile transmission or in any other manner approved by the Directors Any telex or facsimile transmission shall be confirmed as soon as possible by letter but meanwhile may be acted upon by the Company,
- 63 4 appointed by any person ceasing to hold office as Director shall cease simultaneously to have any power or authority to act as an alternate Director provided always that any person who is an alternate Director at a meeting when the appointor thereof ceases to be a Director shall be deemed to be re appointed as an alternate Director if at that meeting such appointor is re appointed or deemed to be re appointed as a Director unless the contrary is expressed in writing by such appointor,
- 63 5 shall during the appointment thereof be an officer of the Company and shall not be deemed to be an agent of the appointor thereof and a Director shall not be liable for the acts and defaults of any alternate Director appointed thereby;
- 63 6 shall not be taken into account in reckoning the minimum number of Directors allowed for the time being, but shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended thereby at which such alternate Director is entitled to vote; and
- 63 7 shall not be entitled to receive any remuneration from the Company in respect of being an alternate Director provided always that the Company may pay all travelling, hotel and other expenses properly incurred by such alternate Director in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company

POWERS OF DIRECTORS

- 64 1 The business of the Company including all powers under the Memorandum of Association shall be managed as the Directors may decide subject nevertheless to the interests of the Company as a whole, the Act, all restrictions in the Memorandum of Association, the articles, any agreement executed by all the members for the time being, and to any resolutions of the members, and such business or any part or parts thereof may be commenced at any such time or times, discontinued or held in abeyance for such period or periods as the Directors may resolve and may be conducted by them alone or together with any other person, firm or Company as the Directors may think fit
- 64 2 The Directors may exercise all the powers of the Company to borrow without limit and to indemnify and secure the liability of any Director for the payment of any sum primarily due from the Company

- 64 3 Any alteration of the articles and any resolution of the members shall not invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that resolution had not been passed
- 64 4 The powers hereby given shall not be limited by any special power given to the Directors by the articles save as to article 64 5 and a meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Directors
- 64 5 All cheques, promissory notes, drafts, bills of exchange and without limitation negotiable instruments whatsoever of the Company shall not be binding on the Company without signature by such person as shall be authorised expressly by the Directors to sign the same and subject thereto any one director may sign the same

65. DEVOLUTION OF DIRECTORS' POWERS

The Directors may

- 65 1 delegate any of their powers to any Director or Directors or committee thereof and revoke such delegation,
- 65 2 appoint and terminate the appointment of any person or Company to attorney of the Company to exercise any of the powers thereof, and
- 65 3. set up, organise, arrange, re arrange any branch, division, agency, or subsidiary to carry on any of the business of the Company and at any time alter or terminate the powers thereof,

provided always that any persons dealing with the Company in good faith without notice of any revocation, termination, alteration or other cessation of any of the powers or functions thereof shall not be affected thereby

66. APPOINTMENT AND RETIREMENT OF DIRECTORS

No person, unless recommended by the Directors (provided they have the Consents) , may be appointed as a Director at any general meeting unless, not less than 7 nor more than 28 days before the date appointed for the meeting, notice signed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment stating the particulars which would be required to be recorded in the Register of Directors together with notice signed by that person of the willingness thereof to be appointed

- 66 2 The Company (provided it has the Consents) may appoint any person to be a Director whether in addition to or in replacement of any of the Directors and such person shall continue in office until the same is vacated according to article 70
- 67 The Directors (provided they have the Consents) may appoint a person to be a Director, either to fill a vacancy or as an additional Director, so long as the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the articles as the maximum number of Directors A

Director so appointed shall hold office only until the next following Annual General Meeting and then shall be eligible for election and, if then not re appointed, shall vacate office

68 Directors do not retire at Annual General Meetings

69A In any case where as the result of death or deaths the Company has no members and no Directors the personal representatives of the last member to have died shall have the right by notice in writing to appoint a person to be a Director of the Company and such appointment shall be effective as if made by the Company in General meeting For the purpose of this Article, where two or more members die in circumstances rendering it uncertain which of them survived the other or others, the Members shall be deemed to have died in order of age and accordingly the younger shall be deemed to have survived the elder

DISQUALIFICATION AND REMOVAL OF DIRECTORS

70 The office of a Director shall be vacated by any Director who

70 1 ceases to hold office under the Act or the Company Directors Disqualification Act 1986 or is prohibited by law from being a Director,

70 2 becomes bankrupt or apparently insolvent or makes any arrangement or composition with his creditors generally,

70 3 becomes of unsound mind or a patient for the purposes of any statute relating to mental health or otherwise incapax for a period of twelve consecutive months or more,

70 4 being appointed for a fixed term his fixed term of office has expired,

70 5 resigns therefrom by notice in writing to the Company,

70 6 shall for more than twelve months have been absent without permission of the Directors from meetings of Directors held during that period and the alternate Director (if any) thereof during that period shall not have attended any such meeting instead of such Director, and the Directors resolve that he shall cease to be a Director,

70 7 ceases to hold any shares as may be prescribed by the articles or by any agreement executed by all the members of the Company for the time being in order to qualify for holding office as Director provided nevertheless that the Directors are not bound by these within written articles of association to hold any qualifying shares, or

70 8 is removed from office by notice in writing signed by all his co Directors and served on him This Article 70 8 shall not apply to Mr Clark or to Mr Mitchell

71 1 The Company in general meeting may by ordinary resolution remove a Director or a Managing Director before the expiration of his period of office notwithstanding anything in the articles or in any agreement between the Company and the Director

but without prejudice to any compensation or damage payable in respect of such removal This Article 71 1 shall not apply to Mr Clark or Mr Mitchell

- 71 2 In addition to any power of removal conferred by the Act, the Company may by extraordinary resolution remove any Director before the expiration of his period of office and may (subject to these Articles) by ordinary resolution appoint another person who is willing to act to be a director in his place Any person so appointed shall be treated for the purposes of determining the time at which he or any other director is to retire, as if he had become a director on the day on which the person in whose place he is appointed was last appointed or reappointed a director This Article 71 2 shall not apply to Mr Clark or Mr Mitchell

72. REMUNERATION AND EXPENSES OF DIRECTORS

72 The Directors are

- 72 1 entitled to receive such remuneration as shall from time to time be determined by the Company in general meeting, and any remuneration shall be deemed to accrue from day to day In addition to the remuneration the Directors may pay extra emoluments in any manner aforesaid out of the funds of the Company for special services to the Company as the Directors may think fit, and

- 72 2 permitted to pay any gratuity, pension, allowance, benefit on death, premium or contribution in connection with any insurance scheme, fund, assurance or superannuation whether for the benefit thereof or of any former Director, other officer, former officer or member of the family of any of them and as the case may be who may keep the benefit thereof, or of the Company so long only in any case as aforesaid all such payments are disclosed in the accounts of the Company laid before the Annual General Meeting next following such payment

- 73 The Directors shall be paid in addition to any remuneration as aforesaid all reasonable travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with their office or the business of the Company

74. MANAGING DIRECTOR AND EXECUTIVE OFFICE

- 74 1 The Directors may appoint one or more of their number to the office of Chairman, Managing Director, Executive Director or to any other executive office and may enter into an agreement with any Director for the employment thereof or for the provision thereby of any services outside the usual scope of the duties of a Director of the Company Any such appointment or agreement may be made upon such terms including revocation and alteration and as to such emoluments as the Directors think fit Any appointment of a Director to any office aforesaid shall determine if such Director ceases to be a Director

75. DIRECTORS' INTERESTS

75 1 Any Director may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested and may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is interested so long as in any such case as aforesaid such Director discloses specifically or generally in either case by immediate notice in writing to the Directors any such interest, transaction or arrangement in accordance with Part X of the Act and as may otherwise be required by law in general, and such Director may vote thereon and retain any benefit therefrom so long as aforesaid and from acting in any professional capacity on instructions from the Company or the Directors provided nevertheless that no Director shall act as auditor to the Company

76. PROCEEDINGS OF DIRECTORS

76 1 Subject to the articles, the Directors may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors. It shall be necessary to give notice of a meeting to all Directors whether or not absent from the United Kingdom, provided in the case of such absence his whereabouts are known to the Company. Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote.

76 2 The continuing Directors may act notwithstanding any vacancy in their number.

76 3 The Directors may elect a Chairman and may at any time remove such Chairman from that office. The Chairman shall preside at every meeting of Directors at which the Chairman is present, but if a Chairman is not so elected or is not present within fifteen minutes after the time appointed for the meeting, the Directors present may elect one of their number to be Chairman of and throughout the meeting notwithstanding the subsequent arrival thereof of any person elected to be Chairman.

76 4 All acts done by a meeting of Directors, or of a committee of Directors, or by a person acting as a Director shall be valid, notwithstanding that it be discovered that there was a defect in the appointment of any Director, or that any of them were disqualified from holding office, or had vacated office, or had not been entitled to vote.

77 1 A resolution in writing signed by all the Directors may consist of several documents in like form each signed by one or more of the Directors, and shall be as valid and effectual as if it had been passed at a meeting of Directors or, as the case may be, a committee of Directors duly convened.

77 2 Notice of any meeting of the Directors may be given by telephone. The contemporaneous linking together by telephone of a number of the Directors being not less than the quorum shall be deemed to constitute a meeting of the Directors wherever in the world they are, so long as

- 77 2 1 none of the Directors is absent from the meeting except only as to any of them who the Chairman may have consented before the meeting may be absent therefrom,
- 77 2 2 the Directors who are present at the meeting constitute a quorum,
- 77 2 3 at the commencement of the meeting each Director acknowledges the presence thereof to all the other Directors taking part,
- 77 2 4 each of the Directors taking part are able to hear each other of them subject as hereinafter mentioned throughout the meeting,
- 77 2 5 the Directors present at the commencement of the meeting do not leave the meeting by disconnecting the telephone, but the meeting shall be deemed to have been conducted validly notwithstanding that the telephone of any Director is accidentally disconnected during the meeting and the proceedings thereof shall be deemed to be as valid as if the telephone had not been disconnected, and
- 77 2 6 a minute of the proceedings shall be sufficient evidence thereof and of the observance of all necessary formalities if certified by the Chairman
- 78 A Director shall not vote at a meeting of Directors or at a committee of Directors on any resolution concerning a matter in which such Director has, directly or indirectly, a material interest or duty which conflicts or may reasonably be expected to conflict with the interests of the Company except on
- 78 1 any matter permitted under article 75,
- 78 2 the giving of any security or indemnity thereto in respect of any money lent or obligations incurred thereby at the request of or for the benefit of the Company or any of its subsidiaries falling within Sections 332 to 338 of the Act,
- 78 3 the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which such Director has assumed responsibility in whole or in part under a guarantee of indemnity or by the giving of security,
- 78 4 any proposal concerning an offer of securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer such Director is or is to be interested as a participant in the underwriting or sub underwriting thereof,
- 78 5 any proposal, except as aforesaid concerning any other Company in which such Director is interested, directly or indirectly, and whether as an officer or share holder or otherwise howsoever so long as such Director is not the holder of or beneficially interested in more than one per cent of any class of the equity share capital of such Company, or of any third Company through which such interest is derived, or of the voting rights available to members of the Company concerned Any interest as aforesaid shall be deemed for the purpose of this article to be a material interest in all circumstances, and

78 6 any proposal concerning the adoption, modification or operation of a superannuation fund, retirement benefit scheme, profit sharing scheme or savings related or other share option scheme under which the Director may benefit and which has been approved, or is subject to and conditional upon approval, by the Board of Inland Revenue for taxation purposes

For the purposes of this article a Director shall be taken to have an interest which another person has who, for the purposes of Section 346 of the Act, is connected with such Director. In the case of any exception hereinbefore mentioned a Director shall be counted in the quorum but not in the case of any other such interest or conflict

79 The Company may, by ordinary resolution, suspend or relax to any extent any restriction in the articles prohibiting a Director from voting at a meeting of Directors or of a committee of Directors

80 Any proposal concerning the appointment of two or more Directors to office or employment with the Company or any body corporate in which the Company is interested shall be divided and considered in relation to each Director separately and, so long as such Director has no material conflicting interest in the proposals other than that arising from the proposed appointment thereof, each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning the appointment of each such Director

81 The Chairman of the meeting shall decide any questions on voting before the conclusion of the meeting, and the ruling thereof in relation to any Director other than to the Chairman shall be final and conclusive

82 Subject to the provisions of the Act, the Company may indemnify any Director against any liability and may purchase and maintain for any Director insurance against any liability. For the purpose of this article, the term "Director" shall include any former Director of the Company

MINUTES

83 The Directors shall cause minutes to be made of

83 1 all appointments of officers made by the Directors,

83 2 the names of the Directors present at any time at every meeting of the Company, Directors, and of any committee of Directors, class of shareholders,

83 3 all resolutions and proceedings, at all meetings of the Company, the holders of any class of shares in the Company, the Directors and of committees of Directors

83 4 and the same shall be kept together with all matters required statutorily or otherwise to be registered or recorded by the Company, and the same and any such matters may be kept in bound books or by some other means as the Directors may decide so long as the recording is capable of being reproduced in legible form and adequate precautions are taken for guarding against falsification

THE SEAL

- 84 The Seal shall be kept by the Directors and used only by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director provided nevertheless that the Company need not have a common Seal

DIVIDENDS

- 85 The members in general meeting may declare dividends in accordance with the respective rights of the members, but dividends shall not exceed the amount recommended by the Directors or permitted under Part VIII of the Act
- 86 The Directors may pay interim dividends out of profits of the Company available for distribution. If the share capital is divided into different classes, the Directors may pay interim dividends on shares which confer deferred or non preferred rights as to dividends as well as on shares which confer preferential rights as to dividends, but interim dividends shall not be paid on shares carrying deferred or non preferred rights if, at the time of payment, any preferential dividend is in arrears. The Directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Any Director acting in good faith shall not incur any liability to the holders of shares conferring preferred rights for any loss they may have suffered by the lawful payment of an interim dividend on any shares having deferred or non preferred rights
- 87 All dividends resolved to be recommended, declared or paid, any bonus and any sum resolved to be capitalised and the assets of the Company to be divided on a winding up shall be distributed subject to articles 10 and 25 in proportion to the nominal amount of the shares (whether or not fully paid up) held by the members entitled to such distribution
- 88 The Directors may deduct from any dividend or other monies payable to any member in respect of a share any moneys presently payable thereby to the Company in respect of shares of the Company
- 89 A general meeting declaring a dividend, upon the recommendation of the Directors, may direct that it shall be satisfied wholly or in part by the distribution of assets of any form or nature, and the Directors shall settle the same and, in particular, may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees and settle any matter therewith
- 90 Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person or the first of joint holders in the register entitled to it or, subject to article 37, so entitled by reason of the death or

bankruptcy of the holder or as such person or persons entitled may in writing direct. The Company shall not be liable for any loss in sending the same. Any person entitled jointly to a share may give receipts for any dividend or other moneys payable in respect of the share.

- 91 Dividends or other moneys payable in respect of any share shall not bear interest against the Company.
- 92 The right to any dividends and other such moneys shall be extinguished if they remain unclaimed for more than five years after the earlier of being declared or payable, and then shall belong to the Company.

RESERVES

- 93 The Directors may set aside out of the profits of the Company, before recommending any dividend, such sums as they think proper as a reserve or reserves which shall be applicable, at the discretion of the Directors, for any purpose to which the profits of the Company may be applied properly, and, pending such application, may at the like discretion, either be employed in the business of the Company, or be invested in such investments, as the Directors from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

CAPITALISATION OF PROFITS

- 94 The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other, and the Directors shall give such effect to such resolution provided always that a share premium account and a capital redemption reserve fund may, for the purposes of this article only, be applied in the paying up of unissued shares to be allotted to members of the Company as fully paid bonus shares. So long as the Company has sufficient authorised but unissued shares in its capital the Directors are authorised to issue shares in lieu of an equivalent amount in cash or dividends to such (if any) of the members who may so agree but so that for the time being such authority shall be valid only between any one Annual General Meeting and the next (but not otherwise) as may be resolved by the members.
- 95 The Company in general meeting may resolve, on the recommendation of the Directors, that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of

the profit and loss account which is not available for distribution by applying such sum in paying up in full unissued shares to be allotted as fully paid bonus shares to those members of the Company who would have been entitled to that sum if it were distributed by way of dividend, and in the same proportions, and the Directors shall give effect to such resolution

ACCOUNTS

- 96 The Directors shall cause accounting records to be kept sufficient to disclose the financial position of the Company at any time with reasonable accuracy in accordance with section 221 of the Act
- 97 The account records shall be kept at the office or, subject to section 222 of the Act, at such other place or places as the Directors shall think fit
- 98 The Directors shall from time to time, in accordance with chapter 1 of part VII of the Act, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in that chapter
- 99 The accounting records of the Company shall always be open to inspection by any officer of the Company during normal business hours. Members who are not Directors shall not have any right to inspect any accounting records or other book or document of the Company except as conferred by statute or authorised by the Directors or in general meeting of the Company
- 100 A printed copy of the documents required by section 239 of the Act to be comprised in the accounts of the Company and laid before the Company in general meeting shall be delivered or sent with the notice of and at least 21 days before the general meeting subject nevertheless to article 106 1

AUDIT

- 101 In the event that it is required by Law, Auditors shall be appointed and the accounts of the Company shall be audited prior to being laid in general meeting and the duties of the auditors shall be regulated in accordance with sections 236 and 237 and Chapter V of Part XI of and otherwise in accordance with the Act

NOTICES

- 102 1 Any notices to the Company or to any member or debenture holder pursuant to the articles shall be in writing or shall be given using electronic communications to an address (electronic or otherwise) for the time being notified for that purpose to the person giving the notice. The Company may give any notice to any member or debenture holder either personally or by sending it by pre paid, first class letter post to the registered address thereof or by leaving it at that address or by sending or leaving it at any other address of which the Company shall have received notice, or by giving it using electronic communications to an address for the time being notified to the Company by the member or debenture holder, provided always that in any such case the Company shall not be responsible for, and the member or

debenture holder concerned shall have no recourse in respect of, any failure to receive the same. In this article "address", in relation to electronic communications includes any number or address used for the purposes of such communications

- 102 2 Notices to joint holders shall be given to the one whose name stands first in the register in respect of the joint holding and shall be deemed to be sufficient notice to all the joint holders
- 103 Notice of every general meeting shall be given to
- 103 1 every member entitled to the same by the rights attaching to the shares thereof,
- 103 2 the auditor for the time being of the Company,
- 103 3 the Directors, including alternate Directors,
- 103 4 every holder of any debenture or other security of the Company thereby entitled to the same by the rights attaching to such debenture or security
- 104 No other person shall be entitled to receive notice of general meetings
- 105 The Company may not convene any general meeting by notice otherwise than by notice as mentioned in article 103 and accordingly notice by advertisement shall not be competent
- 106 An Annual General Meeting and an Extraordinary General Meeting called for the passing of a special resolution shall be called by at least 21 days' notice, and all other Extraordinary General Meetings shall be called by at least 14 days' notice, in both cases exclusive of the dates of service and receipt of such notice, but a general meeting may be called by shorter notice if it is so agreed,
- 106 1 in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat, and
- 106 2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote being a majority together holding not less than 95% in nominal value of the shares giving that right
- 106 3 The notice shall specify the time and place of the meeting, any special and extraordinary resolutions proposed and the general nature of the business whether routine or special to be transacted
- 107 A member present, either in person or by proxy, at any meeting of the Company or holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called and any resolutions proposed to be passed
- 108 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before the name of such person is entered in the register, has been given to the person from whom title is thereby derived unless the

Company has received from any such person becoming so entitled written notice of an address to which notices shall be sent and unless as aforesaid the notice shall be deemed to have been duly given notwithstanding that the registered owner is dead, bankrupt or has become a person in respect of whom an order has been made by any competent court by reason of mental disorder

- 109 1 Without prejudice to Articles 102 to 108 (inclusive) the Company may give any notice to a member or debenture holder or any other person entitled to receive a notice of general meeting by electronic means provided that
- 109 1 1 the person has given his consent in writing to receiving notice communicated by electronic means and in such consent has set out an address to which the notice shall be sent by electronic means, and
- 109 1 2 the electronic means used by the Company enables the person concerned to read the text of the notice
- 109 2 In this article "electronic" means actuated by electric, magnetic, electro magnetic, electro chemical or electro mechanical energy and "by electronic means" means by any manner only capable of being so actuated
- 109 3 A notice sent by the Company shall be deemed to have been given on the day following that on which it is posted or in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent, and proof that the envelope containing the notice was properly addressed, pre paid and posted shall be deemed to be conclusive evidence that the notice was given, and proof that an electronic communication was sent in accordance with guidance issued by the institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given A notice given to a person by electronic means shall be given on the day it was despatched by electronic means

WINDING UP

- 110 In the winding up or in connection with the dissolution otherwise of the Company or any part of its assets, including any shares in or securities of other companies, may be divided, with the sanction of a special resolution, among the members in specie, or, with the like sanction, may be vested in trustees for the benefit of the member, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets whereon there is any liability

DATA PROTECTION

- 111 Each of the shareholders and directors of the Company (from time to time) consents to the processing of their personal data by the Company, its shareholders and directors (each "a Recipient") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves A

Recipient may process such personal data either electronically or manually. The personal data which may be processed for such purposes under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Subject to any confidentiality undertakings given to them by the Recipient, each of the Company's shareholders and directors (from time to time) consents to the transfer of such personal data to persons acting on behalf of any Recipient and to the officers of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.