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## THE COMPANIES ACT 1985 AND THE COMPANIES ACT 2006

## A PRIVATE COMPANY LIMITED BY SHARES

## MEMORANDUM OF ASSOCIATION

OF

CLEARLY SO LIMITED<sup>1</sup>

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COMPANIES HOUSE

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1. The Company's name is "CLEARLY SO LIMITED".
2. The Company's Registered Office is to be situated in England and Wales.
3. The Company's objects are:-

(A) To carry on business as a General Commercial Company and to do all such things as are incidental or conducive to the carrying on of any trade or business.

Without prejudice to the generality of the foregoing, the Company shall have the powers set out in the following paragraphs of this clause.

(B) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof.

(C) To erect, construct, lay down, enlarge, alter and maintain any roads, railways, tramways, sidings, bridges, reservoirs, shops, stores, factories, buildings, works, plant and machinery necessary or convenient for the Company's business, and to contribute to or subsidise the erection, construction and maintenance of any of the above.

(D) To borrow or raise or secure the payment of money in such manner as the Company shall think fit for the purposes of or in connection with the Company's business, and for the purposes of or in connection with the borrowing or raising of money by the Company to become a member of any building society.

(E) For the purposes of or in connection with the business of the Company to mortgage and charge the undertaking and all or any of the real and personal property and assets, present and future, and all or any of the uncalled capital for the time being of the Company, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit,

<sup>1</sup> Company name changed by a special resolution dated 1 March 2009.

debentures or debenture stock, either permanent or redeemable or repayable, and collaterally or further to secure any securities of the Company by a trust deed or other assurances. To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company, or in whose businesses or undertakings the Company is interested, whether directly or indirectly.

(F) To receive money on deposit or loan such terms as the Company may approve.

(G) To lend money to any company, firm or person and to give all kinds of indemnities and either with or without the Company receiving any consideration or advantage, direct or indirect, for giving any such guarantee, and whether or not such guarantee is given in connection with or pursuant to the attainment of the objects herein stated to guarantee either by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets present and future and uncalled capital of the Company or by both such methods, the performance of the obligations and the payment of the capital or principal (together with any premium) of and dividends or interest on any debenture, stocks, shares or other securities of any company, firm or person and in particular (but without limiting the generality of the foregoing) any company which is for the time being the Company's Holding or Subsidiary company or otherwise associated with the Company in business.

(H) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is for the time being the Company's Holding or Subsidiary company or otherwise associated with the Company in business or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and also to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object; and to establish, set up, support and maintain share purchase schemes or profit sharing schemes for the benefit of any employees of the Company, or of any company which is for the time being the Company's Holding or Subsidiary company and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.

(I) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.

(J) To invest and deal with the moneys of the Company not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined.

(K) To pay for any property or rights acquired by the Company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.

(L) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.

(M) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company.

(N) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold or dispose of shares, stock or securities and guarantee the payment of dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such company.

(O) To purchase or otherwise acquire and undertake all or any part of the business, property, assets, liabilities and transactions of any person, firm or company carrying on any business which this Company is authorised to carry on or possessed of property suitable for the purposes of the Company, or which can be carried on in indirectly to benefit the Company.

(P) To sell, improve, manage, develop, turn to account, exchange, let on rent, grant royalty, share of profits or otherwise, grant licences, easements and other rights in or over, and in any of the property and assets for the time being of the Company for such consideration as the Company may think fit.

(Q) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid, with or without winding up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership, or any agreements of the nature of partnership, or in any other manner.

(R) To subscribe for, purchase or otherwise acquire, and hold shares, stock, debentures or other securities of any other company.

(S) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

(T) To give such financial assistance directly or indirectly for the purpose of the acquisition of shares in the Company or the Company's Holding company or for the purpose of reducing or discharging any liability incurred by any person for the purpose or reducing or discharging any liability incurred by any person for the purpose of acquisition of shares in the Company or the Company's Holding company as may be lawful.

(U) To do all or any of the above things in any part of the world, and whether as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.

(V) To do all such things as are incidental or conducive to the above objects or any of them.

And it is hereby declared that, save as otherwise expressly provided, each of the paragraphs of this Clause shall be regarded as specifying separate and independent objects and accordingly shall not be in anywise limited by reference to or inference from any other paragraph or the name of the Company and the provisions of each such paragraph shall, save as aforesaid, be carried out in as full and ample a manner and constructed in as wide a sense as if each of the paragraphs defined the objects of a separate and distinct company.

4. The liability of the Members is limited.

5. The company's share capital is £10,000 divided into 500,000 "A" ordinary shares of £0.01p each and 500,000 "B" ordinary shares of £0.01p each<sup>2</sup>.

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<sup>2</sup> Authorised share capital increased pursuant to a resolution dated 4 November 2008.

WE, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of Shares shown opposite our respective names.

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NAMES AND ADDRESSES OF SUBSCRIBERS	Number of Shares Taken by each Subscriber
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Lisa Schwartz  
38 Wood Lane  
London  
N6 5UB  
UK

No of shares

1

Total Shares taken

1

Dated 2 September 2008

THE COMPANIES ACTS 1985 to 2006

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

OF

CLEARLY SO LIMITED<sup>1</sup>

Incorporated in England and Wales under registered no. 6686965

Adopted by Special Resolution passed on 15 January 2009



**Bates Wells & Braithwaite**  
SOLICITORS

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<sup>1</sup> Company name changed by a special resolution dated 1 March 2009.

## **1. PRELIMINARY**

- 1.1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A–F) (Amendment) Regulations 1985, the Companies Act 1985 (Electronic Communications) Order 2000, the Companies (Tables A to F) (Amendment) Regulations 2007 and the Companies (Tables A to F) (Amendment) (No.2) Regulations 2007 (such Table being hereinafter referred to as “Table A”) shall, except as hereinafter provided and except insofar as the same are inconsistent with these Articles, apply to the Company.
- 1.2 The following regulations of Table A shall not apply to the Company, namely: 2, 8, 24, 35, 41, 42, 46, 54, 60, 61, 64, 78, 84, 88, 94, 95, 111, 112, 113, 114, 115, 116 and 118.
- 1.3 Regulation 40 of Table A shall be modified as hereinafter set out.
- 1.4 The Company is a private company and accordingly:
- (a) any offer to the public (whether for cash or otherwise) of any shares in or debentures of the Company is prohibited; and
  - (b) any allotment or agreement for the allotment (whether for cash or otherwise) of any shares in or debentures of the Company with a view to all or any of those shares being offered for sale to the public is prohibited.

## **2. SHARES**

- 2.1 The authorised share capital of the Company at the date of adoption of these Articles is £10,000 divided into:
- (a) 500,000 “A” Ordinary Shares of £0.01 each (“**the A Shares**”);
  - (b) 500,000 “B” Ordinary Shares of £0.01 each (“**the B Shares**”).
- 2.2 The rights attaching to the “A” Shares are as follows:
- (a) as regards voting and attendance at general meetings, the “A” Shares will entitle the holders to receive notice of and to attend and vote at any general meeting of the Company on any business and resolutions to be considered in relation to any matter.
  - (b) as regards the payment of dividends (which shall include any other form of distribution of profits) the “A” Shares will entitle the holders to receive distributions of dividends in proportion to the nominal value of shares held and the capital paid or credited as paid up on such shares.
- 2.3 The “A” Shares will rank pari passu in all respects with all other issued shares in the Company.
- 2.4 The rights attaching to the “B” Shares are as follows:

- (a) as regards voting and attendance at general meetings, the 'B' Shares will not entitle the holders to receive notice of, attend, speak or vote at any general meeting of the Company.
  - (b) as regards the payment of dividends (which shall include any other form of distribution of profits) the "B" Shares will entitle the holders to receive distribution of dividends in proportion to the nominal value of shares held and the capital paid or credited as paid up on such shares.
- 2.5 The "B" Shares will rank pari passu in all respects with all other issued shares in the Company.
- 2.6 On the return of capital on liquidation or otherwise the assets of the Company available for distribution amongst the members shall be applied on the following cumulative basis. First, in the payment of the subscription price to the holders of all shares (or where the value of assets of the Company is less than the subscription price for all of the shares a proportionate part thereof of the value subscribed). Secondly, (after deduction of the aggregate subscription price for all shares), as regards any net value of assets in the payment to the holder of each share an amount as shall be calculated by taking the net value of assets divided by the nominal value of all fully paid (or credited as fully paid) shares in issue at that time and multiplied by the nominal value of the share.
- 2.7 Subject to the Companies Acts and without prejudice to the rights attached to any existing shares, any share may be issued with or have attached to it such rights or restrictions as the Company may by special resolution determine.
- 2.8 The Board of Directors of the Company (hereinafter referred to as "**the Board**") is unconditionally authorised during the period of five years from the date of the adoption of these Articles to allot, grant options over or otherwise dispose of such (if any) of the shares of the Company as remain to be issued and to such persons (whether or not members of the Company), for such consideration, on such terms, in such manner and at such times as it considers appropriate, up to the amount of the authorised share capital of the Company existing at the date of the adoption of these Articles. Any shares which the Board is not entitled to deal with under the foregoing provisions of this Article may, with the authority of a Special Resolution passed by the Company in General Meeting, be dealt with by the Board, which may allot, grant options over or otherwise dispose of the said shares to such persons (whether or not members of the Company), for such consideration, on such terms, in such manner and at such times as it considers appropriate during a period not exceeding five years from the date of the passing of such Special Resolution. To the extent permitted by Section 91(1) of the Companies Act 1985, sections 89(1) and 90(1) to (6) of the Companies Act 1985 are hereby excluded from applying to the Company provided always that, save as permitted by law, nothing in this article shall authorise the allotment or issue of shares in the Company at a discount.

### 3. **LIEN**

- 3.1 The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first



and paramount lien on all shares (whether fully paid or not) standing registered in the name of any person whether solely or as one of two or more joint holders for all moneys presenting payable by him or his estate 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 any dividend or other amount payable in respect of it.

#### **4. TRANSFER OF SHARES**

4.1 The directors may, in their absolute discretion, and without assigning any reason therefor, decline to register any transfer of any share, whether or not it is a fully paid share. Without prejudice to the generality of the foregoing, they may also refuse to register a transfer unless:

- (a) it is lodged at the office or at such other place as the directors may appoint and is accompanied 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;
- (b) it is in respect of only one class of shares; and
- (c) it is in favour of not more than four transferees.

#### **5. DRAW ALONG**

5.1 If the holders of 75% of the shares in issue for the time being ("**Selling Shareholders**") wish to transfer all of their interest in the shares ("**Sellers' Shares**") to a bona fide arm's length purchaser ("**Proposed Buyer**"), the Selling Shareholders may require all other Shareholders ("**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**").

5.2 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:

- (a) that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to this Article 5;
- (b) the person to whom the Called Shares are to be transferred;
- (c) the consideration payable for the Called Shares which shall, for each Called Share, be an amount equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and
- (d) the proposed date of the transfer.

5.3 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 3 months of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 5.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 5.
- 5.5 Completion of the sale of the Called Shares shall take place on the completion date of the transaction.
- 5.6 Within 15 business days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver signed but undated stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company and the Company will hold these to the Selling Shareholder's order pending completion. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their shares pursuant to Article 5.2(c) to the extent that the Proposed Buyer has put the Company in the requisite funds. 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 5.2 (c) in trust for the Called Shareholders without any obligation to pay interest.
- 5.7 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by him or her, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his or her behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares.

## **6. TAG ALONG**

- 6.1 The provisions of Article 6 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer any of their shares ("**Proposed Transfer**") which would, if carried out, result in any person ("**Buyer**"), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.
- 6.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer ("**Offer**") to the other shareholders to purchase all of the shares held by them for a consideration in cash per share that is equal to the price per share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer ("**Specified Price**").
- 6.3 The Offer shall be given by written notice ("**Offer Notice**"), at least 10 business days ("**Offer Period**") before the proposed sale date ("**Sale Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- (a) the identity of the Buyer;
  - (b) the purchase price and other terms and conditions of payment;

- (c) the Sale Date; and
  - (d) the number of Shares proposed to be purchased by the Buyer ("**Offer Shares**").
- 6.4 If the Buyer fails to make the Offer to all holders of Shares in the Company in accordance with Article 6.3 and Article 6.4 the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.
- 6.5 If the Offer is accepted by any Shareholder ("**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 6.6 In this Article 6, the following words shall have the meaning set out next to them:
- (a) **Acting in Concert:** has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).
  - (b) **Controlling Interest:** means an interest in shares giving to the holder or holders control of the Company within the meaning of section 840 of the Income and Corporation Taxes Act 1988.

## **7. PURCHASE OF OWN SHARES**

- 7.1 Subject to compliance with all legal requirements and to the provisions of these Articles, the Company may exercise all the powers conferred by law to purchase by agreement its own shares (including, without limitation, any redeemable shares) upon such terms and in such manner as the Board shall think fit including in particular the making of a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

## **8. PROCEEDINGS AT GENERAL MEETINGS**

- 8.1 If a quorum is not present within half an hour from the time appointed for any General Meeting or if during any such meeting a quorum ceases to be present (other than by reason of the temporary absence of any person or persons) 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 Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved. Notwithstanding anything in these articles or in Table A, if and for so long as there shall be a single member of the Company the quorum shall be one member present in person or by proxy or, in the case of a corporation, by representative. Regulation 40 of Table A shall be modified accordingly.
- 8.2 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by any member present in person or by proxy and entitled to a vote.

- 8.3 The chairman, if any, of the Board of Directors shall preside as Chairman at every general meeting at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within fifteen minutes after the time appointed for holding the meeting, the directors present shall elect one of their number to be Chairman of the meeting and, if there is only one director present and willing to act, he shall be Chairman of the meeting.

## **9. VOTES OF MEMBERS**

- 9.1 Subject to any rights or restrictions attached to any shares and to any other provisions of these articles, on a show of hands every member present in person or by proxy shall have one vote, unless the proxy is himself a member entitled to vote and on a poll every member present in person or by proxy shall have one vote for every share of which he is the holder.

- 9.2 The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve) –

“.....Limited  
I/We, \_\_\_\_\_, of, \_\_\_\_\_ being a member/members of the above-named company, hereby appoint \_\_\_\_\_, of \_\_\_\_\_, or failing him, \_\_\_\_\_ of \_\_\_\_\_, as my/our proxy to vote in my/our name[s] and on my/our behalf at the general meeting of the company to be held on ..... 20 , and at any adjournment thereof.  
Signed on .....20 .”

- 9.3 Where it is desired to afford members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve) –

I/We, \_\_\_\_\_, of, \_\_\_\_\_ being a member/members of the above-named company, hereby appoint \_\_\_\_\_, of \_\_\_\_\_, or failing him, \_\_\_\_\_ of \_\_\_\_\_, as my/our proxy to vote in my/our name[s] and on my/our behalf at the general meeting of the company to be held on ..... 20 , and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 \*for \*against.

Resolution No 2 \*for \*against.

\*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this day of .....20 .”

## **10. NUMBER OF DIRECTORS**

- 10.1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum. If and for so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these articles.

## **11. ALTERNATE DIRECTORS**

- 11.1 Unless otherwise determined by ordinary resolution of the Company, an alternate director is not entitled to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company direct and the Company may pay all travelling, hotel and other expenses properly incurred by an alternate director in connection with attendance at meetings of directors or of committees of directors or otherwise in connection with the business of the Company.

## **12. POWERS OF DIRECTORS**

- 12.1 Without prejudice to the generality of resolution 70 of Table A, the directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property, and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.
- 12.2 The Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

## **13. DIRECTORS' APPOINTMENT AND INTERESTS**

- 13.1 Subject to the provisions of the Companies Acts, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him or any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate (unless the terms of his appointment provide otherwise) if he ceases to be a director but without prejudice to any claim for damages for breach of the contract of service between the director and Company.

## **14. PROCEEDINGS OF DIRECTORS**

- 14.1 Subject to the provisions of these Articles, the Board may regulate its proceedings as it thinks fit. A director may, and the Secretary at the request of a director shall, call a meeting of the Board. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting of the Board shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote.
- 14.2 All or any of the members of the Board or any committee of the Board may participate in a meeting of the Board or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other.

- 14.3 For the avoidance of doubt, in the case of a meeting of the Directors held where communications can take place through electronic means the meeting shall be quorate upon the Directors being connected to a prescribed electronic site or by prescribed electronic means notwithstanding that any other Directors who intended to be so connected by the prescribed electronic means has not been so connected.
- 14.4 The Directors may from time to time prescribe rules determining when a Director is deemed to be connected to, and disconnected from, a prescribed electronic site or by electronic means at which a meeting of the Directors is being held.
- 14.5 In the case of a meeting of the Directors held where communication takes place simultaneously through electronic means:-
- 14.6 The Directors shall appoint someone (whether or not a Director) whose responsibility it shall be to record and circulate the minutes of the meeting to all those who participated in the meeting and to any other Directors within seven days of the meeting taking place.
- 14.7 The minutes of a meeting of Directors may be circulated by post or electronic communication or such other suitable means as the Directors may from time to time prescribe.
- 14.8 Any dispute as to the content of the minutes must be referred for determination to the Director who was chair at the meeting in question within 14 days of the circulation of the minutes. The chair's decision as to the final form of the minutes shall be final.
- 14.9 No sooner than 14 days after the minutes have been despatched the chair of the meeting in question shall confirm them by signing a copy. The signed minutes shall be deemed to be the agreed record of the business transacted.
- 14.10 Subject to the provisions of Section 182 of the Companies Act 2006 a director may contract with and participate in the profits of any existing or proposed contract transaction or arrangement with the Company as if he were not a director. A director shall also be capable of voting in respect of such contract transaction or arrangement, where he has previously disclosed his interest to the Company, or in respect of his appointment to any office or place of profit under the Company or of the arrangement of the terms thereof and may be counted in the quorum at any meeting at which any such matter is considered.

## **15. BORROWING POWERS**

- 15.1 The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital or any part thereof, and subject to the Act to issue debentures, debenture stock and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party.

## **16. INDEMNITY AND INSURANCE**

16.1 A relevant director may be indemnified out of the Company's assets against any liability (other than a liability to the company or an associated company) which that director incurs in connection with-

- (a) civil proceedings in relation to the company or an associated company (other than a liability incurred in defending proceedings brought by the Company or an associated company in which final judgement is given against the directors);
- (b) criminal proceedings in relation to the Company or an associated company (other than a fine imposed in such proceedings, or a liability incurred in defending proceedings in which the director is convicted and the conviction is final);
- (c) regulatory action taken by or a regulatory investigation by a regulatory authority in relation to the Company or an associated company (unless a sum is payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising));
- (d) any application for relief –
  - i. under section 144(3) or (4) of the Companies Act 1985 (power of court to grant relief in case of acquisition of shares by innocent nominee), or
  - ii. under section 727 of that Act (general power of court to grant relief in case of honest and reasonable conduct),

unless the court refuses to grant the director relief, and the refusal of relief is final, or

- (e) civil proceedings in relation to an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006) of which the Company is a trustee in respect of liability incurred in connection with the Company's activities as a trustee of the scheme (other than a fine imposed in criminal proceedings, a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising) or a liability incurred in defending proceedings in which the director is convicted and the conviction is final).

16.2 For the purposes of this article:

A judgment, conviction or refusal of relief becomes final:-

- (a) if not appealed again, at the end of the period for bringing an appeal; or
- (b) if appealed against, at the time when the appeal (or any further appeal) is disposed of;

an appeal is disposed of:-

- (c) if it is determined and the period for bringing any further appeal has ended; or
- (d) if it is abandoned or otherwise ceased to have effect;

companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

a “relevant director” means any director or former director of the Company.

- 16.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

In this article:-

- (a) a “relevant officer” means any director or former director of the Company, any other officer or employee or former officer or employee of the Company (but not its auditors) or any trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act) for the purposes of an employees’ share scheme of the Company, and
- (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer’s duties or powers in relation to the Company, any associated company (within the meaning of article 21) or any pension fund or employees’ share scheme of the Company.

## **17. SOLE MEMBER COMPANIES**

- 17.1 All other provisions of these articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary where the Company has only one member.

## **18. COMMUNICATIONS WITH MEMBERS**

- 18.1 Subject to the provisions of the Companies Acts and these Articles:

- (a) a document or information (including any notice) to be given, sent or supplied to any person pursuant to the Articles may be given, sent or supplied in hard copy form, in electronic form or (in the case of communications by the Company) by making it available on a website;
- (b) a document or information (including any notice) may only be given, sent or supplied in electronic form where the recipient has agreed (generally or specifically) that the document or information may be sent in that form and has not revoked that agreement; and
- (c) a document or information (including any notice) may only be given, sent or supplied by being made available on a website if the recipient has agreed (generally or specifically) that the document or information may be sent or supplied in that manner, or if the recipient is deemed to have so agreed in accordance with the Companies Acts.

- 18.2 Any document or information (including any notice) sent to a member under the Articles may be sent to the member’s postal address as shown in the Company’s register of members or (in the case of documents or information sent by electronic means) to an address specified for the purpose by the member, provided that:



- (a) a member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him or her, or an address to which notices may be sent by electronic means, shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company; and
  - (b) the Company is not required to send notice of a general meeting or a copy of its annual report and accounts to a member for whom it no longer has a valid address.
- 18.3 Any document to be served on the Company or on any officer of the Company under the Articles may only be served:
- (a) in the case of documents in hard copy form, by sending or delivering them to the Company's registered office or delivering them personally to the officer in question; or
  - (b) in the case of documents in electronic form, by sending them by electronic means:
    - i. to an address notified to the members for that purpose; and
    - ii. from an address previously notified to the Company by the member (other than by electronic means) for the purpose of sending and receiving documents and information.
- 18.4 A member present in person or by proxy at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purpose for which it was called.
- 18.5 Where a document or information is sent or supplied under the Articles:
- (a) where the document or information is sent or supplied by post, service or delivery shall be deemed to be effected at the expiration of 48 hours after the envelope containing it was posted. In proving such service or delivery it shall be sufficient to prove that such envelope was properly addressed and posted.
  - (b) where the document or information is sent or supplied by electronic means to an address specified for the purpose by the intended recipient, service or delivery shall be deemed to be effected on the same day on which it is sent or supplied. In proving such service it shall be sufficient to prove that it was properly addressed.
  - (c) where the document or information is sent or supplied by means of a website, service or delivery shall be deemed to be effected when:-
    - i. the material is first made available on the website; or
    - ii. (if later) when the recipient received or is deemed to have received notification of the fact that the material was available on the website.

- 18.6 Where any document or information has been sent or supplied by the Company by electronic means and the Company receives notice that the message is undeliverable:
- (a) if the document or information has been sent to a member and is notice of a general meeting of the Company or a copy of the annual report and accounts of the Company, the Company is under no obligation to send a hard copy of the document or information to the member's postal address as shown in the Company's register of members, but may in its discretion choose to do so; and
  - (b) in all other cases, the Company will send a hard copy of the document or information to the member's postal address as shown in the Company's register of members, or in the case of a recipient who is not a member, to the last known postal address for that person.
- 18.7 The date of service or delivery of the documents or information shall be the date on which the original electronic communication was sent, notwithstanding the subsequent sending of hard copies.