

Company number: 7175647

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

CROMTON CONTROLS LIMITED (Company)

Circulation Date:

March 2010

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that:

- resolution 1 is passed as a special resolution (**Special Resolution**)

SPECIAL RESOLUTION

- 1 **That** the articles of association contained in the printed document attached hereto marked "A" be and the same are approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association of the Company

AGREEMENT

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

The undersigned, being all the persons entitled to vote on the Special Resolution on March 2010, hereby irrevocably agree to the Special Resolution

Signed by **John Bradley**



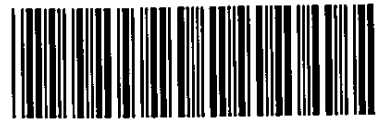
Date

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NOTES:

- 1 If you agree to the Special Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods
 - **By Hand** delivering the signed copy to John Bradley at the Company's registered office
 - **Post** returning the signed copy by post to John Bradley at the Company's registered office
- 2 If you do not agree to the Special Resolution, you do not need to do anything you will not be deemed to agree if you fail to reply

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- 3 Once you have indicated your agreement to the Special Resolution, you may not revoke your agreement
- 4 Unless, by April 2010, sufficient agreement has been received for the Special Resolution to pass, it will lapse If you agree to the Special Resolution, please ensure that your agreement reaches us before or during this date
- 5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

Company Number 7175647

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CROMPTON COMPONENTS LIMITED ("COMPANY")
(adopted by special resolution on 2010)

1 Definitions and Interpretation

1.1 In these articles:

Act means the Companies Act 2006 and any statutory modification or re-enactment of such act for the time being in force

acting in concert has the meaning ascribed to it by the City Code on Takeovers and Mergers as in force and construed at the date of adoption of these articles

Board means the board of directors of the Company or the directors present at a duly convened meeting of the board or a committee of the board

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

call has the meaning given in article 5.9

call notice has the meaning given in article 5.9

Change of Control means the acquisition (whether by purchase, transfer, renunciation or otherwise but excluding a transfer of Shares made in accordance with article 7 (Permitted Transfers)) by any person, other than a person who is a member of the Company at the date of the adoption of these articles, of any interest in any Shares if, upon completion of that acquisition, that person (**Third Party Purchaser**), together with persons acting in concert or connected with him, would hold or beneficially own more than 50% of the Shares

Company's lien has the meaning given in article 5.1

Conflict has the meaning given in article 19

connected with has the meaning given in section 839 Income and Corporation Taxes Act 1988 save that there shall be deemed to be control for that purpose whenever either section 416 or section 840 of that act would so require

eligible director means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter)

Issue Price means the amount paid up or credited as paid up (including any premium on issue) on a Share or, in the case of a Member who has acquired a Share via an arm's length transfer in accordance with these articles, the amount paid by such Member for such Share

lien enforcement notice has the meaning given in article 5 5

Member means any registered holder of Shares for the time being

Model Articles means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these articles

Sale means the making of one or more agreements (whether conditional or not) for an acquisition of any Share giving rise to a Change of Control

Shares means the ordinary shares of £1 00 each of the Company

Third Party Purchaser has the meaning given in the definition of Change of Control and, where the relevant acquisition was effected by the renunciation of a renounceable letter of allotment, includes the relevant renouncee

Valuers means a firm of chartered accountants agreed between the Vendor and the Board or, in default of agreement within 10 Business Days after the event requiring their determination arising, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Vendor or the Board (each Member agrees that if any Member, being required to sign the letter of engagement of the Valuers, fails to do so within five Business Days of being requested to sign it, the Company may authorise any person to act as that Member's attorney in signing the engagement letter)

- 1 2 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these articles
- 1 3 Save as otherwise provided in these articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these articles Words and expressions defined elsewhere in these articles shall bear the meanings given to them there
- 1 4 A reference in these articles to a 'regulation' is a reference to the relevant article of the Model Articles and a reference to an article by number is to the particular article of these articles
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
 - 1 5 1 any subordinate legislation from time to time made under it, and
 - 1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

1 6 In these articles, words importing a gender include every gender, references to the singular include the plural and references to persons include bodies corporate, unincorporated associations and partnerships

1 7 The headings in these articles shall not affect their construction

1 8 If any date referred to in these articles is not a Business Day, it shall be taken to be a reference to the next Business Day after that date

2 Further issues of Shares: authority

2 1 Save to the extent authorised by these articles, or authorised from time to time by an ordinary resolution of the Members, the directors shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares in the Company

2 2 Subject to the remaining provisions of this article 2, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Act and generally, to exercise any power of the Company to

2 2 1 offer or allot,

2 2 2 grant rights to subscribe for or to convert any security into,

2 2 3 otherwise deal in, or dispose of,

any Shares in the company to any person, at any time and subject to any terms and conditions as the directors think proper

2 3 The authority referred to in article 2 2

2 3 1 shall be limited to a maximum nominal amount of £25,000,

2 3 2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution, and

2 3 3 may only be exercised for a period of five years commencing on the date on which these articles are adopted, save that the directors may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).

3 Further issues of Shares: Pre-emption rights

3 1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

3 2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the Company has first offered them to all Members on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as possible without involving fractions) The offer

- 3 2 1 shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities, and
- 3 2 2 may stipulate that any Member who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which he wishes to subscribe
- 3 3 Any equity securities not accepted by Members pursuant to the offer made to them in accordance with article 3 2 shall be used for satisfying any requests for Excess Securities made pursuant to article 3 2 If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of Shares held by the applicants immediately before the offer was made to Members in accordance with article 3 2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Member beyond that applied for by him) After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the Members
- 3 4 Subject to articles 3 2 and 3 3 and to section 551 of the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper
- 4 Shares and Distributions**
- 4 1 Regulation 21 of the Model Articles shall not apply to the Company
- 4 2 Transmission of Shares
- Regulation 27(3) of the Model Articles shall be amended by the insertion of the words “, subject to article 21” after the word “But”
- 4 3 Transmittees bound by prior notices
- Regulation 29 of the Model Articles shall be amended by the insertion of the words “, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under regulation 28(2) of the Model Articles,” after the words “the transmittee’s name”
- 5 Lien and Calls on shares and forfeiture**
- Company’s lien over Shares
- 5 1 The Company has a lien (**the Company’s lien**) over every Share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him or his estate (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future
- 5 2 The Company's lien over a Share
- 5 2 1 takes priority over any third party's interest in that Share, and

- 5 2 2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share
- 5 3 The directors may at any time decide that a Share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part
- Enforcement of the Company's lien
- 5 4 Subject to the provisions of this article 5, if
- 5 4 1 a lien enforcement notice has been given in respect of a Share, and
- 5 4 2 the person to whom the notice was given has failed to comply with it,
- the Company may sell that Share in such manner as the directors decide
- 5 5 **A lien enforcement notice**
- 5 5 1 may only be given in respect of a Share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- 5 5 2 must specify the Share concerned,
- 5 5 3 must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- 5 5 4 must be addressed either to the holder of the Share or to a transmittee of that holder, and
- 5 5 5 must state the Company's intention to sell the Share if the notice is not complied with
- 5 6 **Where Shares are sold under this article 5**
- 5 6 1 the directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and
- 5 6 2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- 5 7 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
- 5 7 1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice, and
- 5 7 2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien for any money payable (whether payable

immediately or at some time in the future) as existed upon the Shares before the sale in respect of all Shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice

- 5 8 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a Share has been sold to satisfy the Company's lien on a specified date

5 8 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and

5 8 2 subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the Share

Call notices

- 5 9 Subject to the articles and the terms on which Shares are allotted, the directors may send a notice (a **call notice**) to a Member requiring the Member to pay the Company a specified sum of money (a **call**) which is payable to the Company at the date when the directors decide to send the call notice

- 5 10 A call notice

5 10 1 may not require a Member to pay a call which exceeds the total amount of his indebtedness or liability to the Company,

5 10 2 must state when and how any call to which it relates is to be paid, and

5 10 3 may permit or require the call to be made in instalments

- 5 11 A Member must comply with the requirements of a call notice, but no Member is obliged to pay any call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent

- 5 12 Before the Company has received any call due under a call notice the directors may

5 12 1 revoke it wholly or in part, or

5 12 2 specify a later time for payment than is specified in the notice,

by a further notice in writing to the Member in respect of whose Shares the call is made

Liability to pay calls

- 5 13 Liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid

- 5 14 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share.

- 5 15 Subject to the terms on which Shares are allotted, the directors may, when issuing Shares, provide that call notices sent to the holders of those Shares may require them

5 15 1 to pay calls which are not the same, or

5 15 2 to pay calls at different times

When call notice need not be issued

5 16 A call notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share

5 16 1 on allotment,

5 16 2 on the occurrence of a particular event, or

5 16 3 on a date fixed by or in accordance with the terms of issue

5 17 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

Failure to comply with call notice automatic consequences

5 18 If a person is liable to pay a call and fails to do so by the call payment date

5 18 1 the directors may issue a notice of intended forfeiture to that person, and

5 18 2 until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate

5 19 For the purposes of this article

5 19 1 the **call payment date** is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the **call payment date** is that later date, and

5 19 2 the **relevant rate** is

5 19 2 1 the rate fixed by the terms on which the Share in respect of which the call is due was allotted,

5 19 2 2 such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or

5 19 2 3 if no rate is fixed in either of these ways, 5 per cent per annum

5 20 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998

5 21 The directors may waive any obligation to pay interest on a call wholly or in part

Notice of intended forfeiture

5 22 A notice of intended forfeiture

- 5 22 1 may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice,
- 5 22 2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder,
- 5 22 3 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- 5 22 4 must state how the payment is to be made, and
- 5 22 5 must state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited

Directors' power to forfeit Shares

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture

Effect of forfeiture

- 5 23 Subject to the articles, the forfeiture of a Share extinguishes
 - 5 23 1 all interests in that Share, and all claims and demands against the Company in respect of it, and
 - 5 23 2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company
- 5 24 Any Share which is forfeited in accordance with the articles
 - 5 24 1 is deemed to have been forfeited when the directors decide that it is forfeited,
 - 5 24 2 is deemed to be the property of the Company, and
 - 5 24 3 may be sold, re-allotted or otherwise disposed of as the directors think fit
- 5 25 If a person's Shares have been forfeited
 - 5 25 1 the Company must send that person notice that forfeiture has occurred and record it in the register of Members,
 - 5 25 2 that person ceases to be a shareholder in respect of those Shares,
 - 5 25 3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation, and

- 5 26 At any time before the Company disposes of a forfeited Share, the directors may decide to cancel the forfeiture on payment of all calls, interest and expenses due in respect of it and on such other terms as they think fit

General

- 5 27 Notwithstanding the provisions of this article 5, Shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with article 9 (Compulsory Transfers) as if a Deemed Transfer Notice were deemed given in respect of such Shares

6 Transfer of shares - general

- 6 1 The Board shall not register the transfer of any Share or any interest in any Share unless the transfer

6 1 1 is either

- permitted by article 7 (Permitted Transfers), or
- is made in accordance with article 8 (Voluntary Transfers), article 9 (Compulsory Transfers), article 10 (Drag Along Option), or article 11 (Tag Along Right), and

6 1 2 in any event, is not in favour of any infant, bankrupt, trustee in bankruptcy or person of unsound mind

- 6 2 The Company shall promptly register any duly executed and stamped transfer of Shares which is made in accordance with these articles

- 6 3 For the purpose of ensuring that a transfer of Shares is in accordance with these articles or that no circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice (as defined in article 8 1) the Board may from time to time require any Member or any person named as transferee in any transfer lodged for registration to furnish to the Board such information and evidence as it requests for such purpose. If such information or evidence is not furnished to its reasonable satisfaction within a reasonable time after that request the Board may in their absolute discretion either

6 3 1 refuse to register the transfer in question, or

6 3 2 where no transfer is in question, require by notice in writing to the Member(s) concerned that a Transfer Notice be given in respect of the Shares concerned within the period specified in that notice

If such information or evidence discloses to the satisfaction of the Board in their absolute discretion that circumstances have arisen whereby a Member is bound to give or be deemed to have given a Transfer Notice the Board may in their absolute discretion by notice in writing to the Member concerned require that a Transfer Notice be given in respect of the Shares concerned within the period specified in that notice

- 6 4 An obligation to transfer a Share under these articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance
- 6 5 No arrangement shall be entered into by any Member whereby the terms upon which that Member holds any Shares are to be varied if as a result any interest in those Shares is varied, disposed of or created or extinguished, except by a transfer made in accordance with these articles
- 6 6 Regulation 26(6) of the Model Articles shall not apply to the Company
- 6.7 For the avoidance of doubt, any reference to the Board in articles 8 and 9 shall exclude any director being, or being connected with, the relevant Vendor

7 Permitted transfers

- 7 1 For the purposes of this article and articles 8 and 9
- 7 1 1 **family member** means, in relation to any person, any of his spouse (or widow or widower), children and grandchildren (including step and adopted children and grandchildren),
- 7 1 2 **family trust** means, in relation to a Member, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Member or any of his family members (and any charity or charities as default beneficiaries meaning that the charity or charities have no immediate beneficial interest in any of the settled property or the income from it when the trust is created but may become so interested if there are no other beneficiaries from time to time except other charities) and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Member or any of his family members,
- 7 1 3 a **member of the same group** means, in relation to a body corporate, any other body corporate which is for the time being a holding company of that body corporate or a subsidiary of that body corporate or a subsidiary of any holding company of which that body corporate is also a subsidiary, and
- 7 1 4 **permitted transfer** means any transfer of Shares permitted under this article 7
- 7 2 With the prior written consent of the Board, and subject to articles 7 3 to 7 6, any Member who is an individual may at any time transfer in aggregate 50% of his entire holding of Shares to a person shown to the reasonable satisfaction of the Board to be
- 7 2 1 a family member of his, or
- 7 2 2 trustees to be held under a family trust for that Member
- 7 3 Subject to article 7 5, no Shares shall be transferred under article 7 2 by any person who previously acquired those Shares by way of transfer under article 7 2
- 7 4 No transfer of Shares shall be made by a Member under article 7 2

- 7 4 1 unless in the case of a transfer under article 7 2 2, the Board has confirmed in writing their satisfaction
- with the terms of the instrument constituting the relevant family trust and in particular with the powers of the trustees,
 - with the identity of the trustees and the procedures for the appointment and removal of trustees,
 - with the restrictions on changes in the terms of the trust instrument and on distributions by the trustees,
 - the ability and willingness of the trustees to give appropriate warranties and indemnities on a Sale or admission of the Company's issued equity share capital to any recognised investment exchange, and
 - that none of the costs incurred in establishing or maintaining the relevant family trust will be payable by any member of the Company, and
- 7 4 2 unless the aggregate number of Shares held by that Member following that transfer exceeds the aggregate number of Shares held by that Member's family trusts and family members
- 7 5 Where Shares are held by trustees under a family trust, with the prior written consent of the Board
- 7 5 1 those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that family trust whose identity has been approved in writing by the Board,
- 7 5 2 those Shares may at any time be transferred by those trustees to the settlor of that trust or any other family member to whom that settlor could have transferred them under this article if he had remained the holder of them, and
- 7 5 3 if any of those Shares cease to be held under a family trust for any other reason, the trustees shall give a Transfer Notice (as defined in article 8 1) within 20 Business Days in respect of all the Shares then held by those trustees
- 7 6 If
- 7 6 1 any person has acquired Shares as a family member of a Member by way of one or more permitted transfers, and
- 7 6 2 that person ceases to be a family member of that Member, that person shall forthwith transfer all the Shares then held by that person back to that Member, for such consideration as they agree, within 15 Business Days of the cessation, or, failing such transfer within that period, shall during the remainder of the 20 Business Day period after the cessation, give a Transfer Notice in respect of all of the Shares then held by that person
- 7 7 With the prior written consent of the Board, any Member which is a body corporate may at any time transfer any Shares held by it to a member of the same group

- 7 8 Where Shares have been transferred under article 7 7 (whether directly or by a series of such transfers) from a Member (**Transferor**, which expression shall not include a second or subsequent transferor in such a series of transfers) to a member of the same group as the Transferor (**Transferee**) and subsequently the Transferee ceases to be a member of the same group as the Transferor, the Transferee shall forthwith transfer all the Shares held by it to the Transferor, for such consideration as they agree, within 15 Business Days of the cessation, or, failing such transfer within that period, shall during the remainder of the 20 Business Day period after the cessation, give a Transfer notice in respect of all of the Shares then held by the Transferee
- 7 9 A Member may transfer Shares to any person at any time with the prior written consent of Members holding 75% or more of the Shares

8 Voluntary transfers

- 8 1 Any Member (a **Vendor**) shall, before transferring or agreeing to transfer any Share or any interest in any Share, serve notice in writing (a **Transfer Notice**) on the Company of his wish to make that transfer unless the transfer is

8 1 1 made pursuant to article 7 (Permitted Transfers),

8 1 2 a transfer of Dragged Shares made pursuant to article 10 (Drag Along Option),
or

8 1 3 a transfer made pursuant to acceptance of an offer made pursuant to article 11 (Tag Along Right)

- 8 2 In the Transfer Notice, the Vendor shall specify

8 2 1 the number of Shares (**Sale Shares**) which he wishes to transfer,

8 2 2 the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares,

8 2 3 the price per share at which the Vendor wishes to transfer the Sale Shares (**Proposed Sale Price**),

8 2 4 any other terms relating to the transfer of the Sale Shares which are not prohibited by these articles including the date from which dividends on the Sale Shares shall accrue to the purchaser, and

8 2 5 whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this article 8 (a **Total Transfer Condition**)

- 8 3 Each Transfer Notice shall:

8 3 1 relate to one class of Shares only,

8 3 2 constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of this article 8,

8 3 3 save as provided by article 8 5, be irrevocable, and

- 8 3 4 not be deemed to contain a Total Transfer Condition unless expressly stated otherwise
- 8 4 The Sale Shares shall be offered for purchase in accordance with this article 8 at a price per Sale Share (**Sale Price**) which either has been agreed between the Vendor and the Board or in default of agreement within 15 Business Days after the date of service of the Transfer Notice, the lower of
- 8 4 1 the Proposed Sale Price, and
- 8 4 2 if the Board elects within 20 Business Days after the date of service of the Transfer Notice to instruct Valuers for that purpose, the price per Share reported on by the Valuers as their written opinion of the open market value of each Sale Share in accordance with article 8 16 (**Market Value**) as at the date of service of the Transfer Notice
- 8 5 If the Market Value is reported on by the Valuers under article 8 4 2 to be less than the Proposed Sale Price specified in the Transfer Notice, the Vendor may revoke the Transfer Notice by written notice given to the Board within the period of 10 Business Days after the service on the Vendor of the Valuers' written opinion of the Market Value
- 8 6 The Board shall offer the Sale Shares to the Company for purchase at the Sale Price, subject to the provisions of the Companies Act, within five Business Days of the Sale Price having been agreed or determined under article 8.4 or, if the Transfer Notice is capable of being revoked under article 8 5, within five Business Days after the expiry of the period for revocation in article 8 5 Where the relevant Transfer Notice contains a Total Transfer Condition and the Company only wishes to acquire some and not all of the relevant Sale Shares, the Company shall only agree to acquire such Sale Shares conditionally on the remainder of the Sale Shares being allocated to Members under the remaining provisions of this article 8. The Board shall as soon as practicable give notice in writing to the Vendor specifying the number of Sale Shares proposed to be acquired by the Company, the aggregate price payable for them, and the time for completion of such sale and purchase, attaching the agreement or deed referred to in article 8 7 below. Any Sale Shares neither sold nor agreed to be acquired under this article 8 6 within 30 Business Days of being offered to the Company will be available for sale to the Members as set out below
- 8 7 A Vendor who is to sell shares to the Company pursuant to article 8 6 will enter into an agreement or deed recording the sale in terms reasonably required by the Board within five Business Days of being asked to do so Any such agreement or deed can be subject to such conditions precedent as the Board may specify and will include warranties to be given by such Vendor in relation to the relevant Sale Shares that he has title to sell them and that they are free from encumbrances and other third party rights
- 8 8 The Board shall offer the Sale Shares which are neither sold nor agreed to be acquired under article 8 6 for purchase at the Sale Price by a written offer notice (**Offer Notice**) served on all Members other than the Vendor (and any other Member who is then bound to give or deemed to have given a Transfer Notice in relation to which the procedures in these articles have not been completed) within five Business Days after the end of the period for the Company to acquire or agree to acquire Sale Shares under article 8 6 or, if earlier, within five Business Days after the Board resolving that the Company will not accept any Sale Shares offered to it pursuant to article 8 6

- 8 9 An Offer Notice shall
- 8 9 1 specify the Sale Price,
 - 8 9 2 expire 42 days after its service,
 - 8 9 3 contain the other details included in the Transfer Notice, and
 - 8 9 4 invite the relevant Members to apply in writing, before expiry of the Offer Notice, to purchase Sale Shares
- 8 10 After the expiry date of the Offer Notice (or, if earlier, upon responses being received from all relevant Members in accordance with article 8 9), the Board shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these articles and the Model Articles, save that
- 8 10 1 if there are applications from Members for more than the total number of Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Sale Shares than the maximum number applied for by him) to the number of Shares then held by them respectively,
 - 8 10 2 if it is not possible to allocate Sale Shares without involving fractions, those fractions shall be aggregated and allocated amongst the applicants in such manner as the Board thinks fit, and
 - 8 10 3 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the available Sale Shares are allocated
- 8 11 The Board shall, within five Business Days after the expiry date of the Offer Notice or earlier allocation of all of the Sale Shares under article 8 10, give notice in writing (a **Sale Notice**) to the Vendor and to each person to whom Sale Shares have been allocated (each a **Purchaser**) specifying the name and address of each Purchaser, the number of Sale Shares allocated to him, the aggregate price payable for them, and the time for completion of each sale and purchase
- 8 12 Completion of a sale of Sale Shares to the Company shall take place at the registered office of the Company at the time specified in the notice given to the Vendor pursuant to article 8 6 or, where the Company has only conditionally agreed to acquire such Sale Shares under article 8 6, the relevant sale shall take place simultaneously with the sale of the remaining Sale Shares under article 8 13, when the Vendor shall, upon payment to him by the Company of the Sale Price in respect of the Sale Shares being acquired by the Company, transfer those Sale Shares and deliver (duly executed) the relevant deed or agreement referred to in article 8 7 above and the relative share certificates to the Company
- 8 13 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than one week nor more than two months after the date of the Sale Notice, unless agreed otherwise in relation to any sale and purchase by both the Vendor and the Purchaser concerned) when the Vendor shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relative share certificates to that Purchaser

- 8 14 The Vendor may, during the period falling between one and two months after the expiry date of the Offer Notice, sell any Sale Shares which have neither been sold nor agreed to be acquired under article 8 6 and for which a Sale Notice has not been given by way of bona fide sale to the proposed transferee (if any) named in the Transfer Notice at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that
- 8 14 1 the Board shall be entitled to refuse registration of the proposed transferee if he is believed by the Board to be a competitor or connected with a competitor of any business of any member of the Company or a nominee of such a person or if the Board reasonably believes that his ownership of Shares would materially prejudice the interests of the Company, and
- 8 14 2 if the Transfer Notice contained a Total Transfer Condition, the Vendor shall not be entitled to sell only some of the Sale Shares under this article 8
- 8 15 If a Vendor fails to transfer any Sale Shares when required pursuant to this article 8, or (if appropriate) fails to execute and deliver to the Company the relevant deed or agreement referred to in article 8 7 above, the Board may authorise any person (who shall be deemed to be the attorney of the Vendor for the purpose) to execute the necessary transfer of such Sale Shares (or deed or agreement) and deliver it on the Vendor's behalf. The Company shall (at the direction of the Board) receive the purchase money for the Sale Shares from the relevant purchaser and shall, upon receipt of the duly stamped transfer, register the relevant purchaser as the holder of those Sale Shares. In respect of Sale Shares to be acquired by it, the Company shall, upon delivery of the relevant deed or agreement referred to in article 8 7 above, cancel the relevant Sale Shares. The Company shall hold the purchase money in a separate bank account on trust for the Vendor but shall not be bound to earn or pay interest on any money so held. The Company's receipt for the purchase money shall be a good discharge to the relevant purchaser (who shall not be concerned to see to the application of it). After the name of the relevant purchaser has been entered in the register of Members (or, if applicable, the relevant Sale Shares have been cancelled) in purported exercise of the power conferred by this article 8, the validity of that exercise shall not be questioned by any person.
- 8 16 If instructed to report on their opinion of Market Value under article 8 4 2, the Valuers shall
- 8 16 1 act as expert and not as arbitrator and their written determination shall be final and binding on the Members, save in the case of manifest error, and
- 8 16 2 proceed on the basis that
- the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the Shares, divided by the number of Shares then in issue,
 - there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares, and
 - any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit in their absolute discretion

8 17 The Company will use its best endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and the Vendor within 20 Business Days of the Board electing to instruct them under article 8 4 2

8 18 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as to one half by the Vendor and as to the other half by the relevant purchasers in proportion to the number of Sale Shares purchased by them unless

8 18 1 the Vendor revokes the Transfer Notice pursuant to article 8 5, or

8 18 2 none of the Sale Shares are purchased pursuant to this article 8,

when the Vendor shall pay all the Valuers' fees

9 Compulsory transfers

9 1 In this article 9, a Transfer Event means, in relation to any Member

9 1 1 a Member who is an individual

- becoming bankrupt, or
- dying, or
- suffering from mental disorder and being admitted to hospital or becoming a patient for any purpose of any enactment relating to mental health,

and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article,

9 1 2 a Member making any arrangement or composition with his creditors generally and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article,

9 1 3 a Member which is a body corporate

- having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets, or
- having an administrator appointed in relation to it, or
- entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction), or
- having any equivalent action taken in any jurisdiction,

and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article,

- 9 1 4 subject to article 9 8, a Member who is or was previously a director or employee of a member of the Company ceasing to hold such office or employment (including in circumstances falling within articles 9 1 1 and 9 1 2 and, for the avoidance of doubt, where a Transfer Event falls both within those articles and this article 9 1 4 the Deemed Transfer Notice shall be treated as given as a consequence of a Transfer Event falling within this article 9 1 4),
- 9 1 5 a Member or any family member or any family trust of that Member attempting to deal with or dispose of any Share or any interest in it otherwise than in accordance with article 7 (Permitted Transfers), article 8 (Voluntary Transfers) and this article 9 (Compulsory Transfers) or in contravention of article 11 (Tag Along Right) and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member or those family members or family trusts or all of them for the purposes of this article, and
- 9 1 6 a Member not giving a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by articles 6 3, 7 5 3, 7 6 or 7 8 and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article
- 9 2 Upon the happening of any Transfer Event, the Member in question and any other Member who has acquired Shares from him under a permitted transfer under articles 7 2 or 7 7 (directly or by means of a series of two or more permitted transfers under articles 7 2 or 7 7) shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by them (a Deemed Transfer Notice) A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice
- 9 3 Notwithstanding any other provision of these articles, any Member holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares between the date of the relevant Deemed Transfer Notice and the expiry of one month after the date of the Sale Notice given in respect of those Shares or, if earlier, the entry in the register of members of the Company of another person as the holder of those Shares or the cancellation of such Shares pursuant to article 8
- 9 4 The Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with article 8 as if they were Sale Shares in respect of which a Transfer Notice had been given save that
- 9 4 1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date of the first meeting of the Board at which details of the facts or circumstances giving rise to the Deemed Transfer Notice are tabled,
- 9 4 2 subject to article 9 5, the Sale Price shall be a price per Sale Share agreed between the Vendor and the Board or, in default of agreement within 15 Business Days after the date of the Transfer Event, the Market Value less in each case any dividends on the Sale Shares referred to in article 9 4 5 and retained by the Vendor,

- 9 4 3 a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable, notwithstanding article 8 5,
- 9 4 4 the Vendor may retain any Sale Shares not sold or repurchased pursuant to article 8 6 or for which Purchasers are not found or, during the period between one and two months after the expiry of the relevant Offer Notice, and with the prior written approval of the Board, sell all or any of those Sale Shares to any person (including any Member) at any price per Sale Share which is not less than the Sale Price,
- 9 4 5 the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date, and
- 9 4 6 article 9 6 shall apply
- 9 5 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event falling within article 9 1 4 shall
- 9 5 1 in the case of a Good Leaver (as defined in article 9 7), be their Market Value at the date the Member ceases to hold office as described in article 9 8, and
- 9 5 2 in the case of a Bad Leaver (as defined in article 9 7), be their Issue Price or, if less, their Market Value at the date the Member ceases to hold office as described in article 9 8,
- less in each case any dividends on the Sale Shares referred to in article 9 4 5 which are retained by the Vendor
- 9 6 A dispute as to whether article 9 5 1 or article 9.5 2 applies to any Sale Shares shall not affect the validity of a Deemed Transfer Notice but any person who acquires Sale Shares pursuant to a Deemed Transfer Notice while such a dispute is continuing shall pay to the Vendor their Issue Price (or, if lower, their Market Value) and shall pay the difference between their Issue Price and their Market Value to the Company The Company shall hold that difference in a separate bank account as trustee to pay it, and interest earned thereon, upon final determination of the dispute
- 9 6 1 to the person acquiring the Sale Shares in the case of a Bad Leaver, and
- 9 6 2 to the Vendor in the case of a Good Leaver
- 9 7 In article 9 5
- 9 7 1 **Good Leaver** refers to a person who ceases to be a director or employee of the Company where the Board resolves at the time of the relevant Transfer Event that such person is to be a Good Leaver for the purposes of this article or where such cessation occurs as a result of
- death or serious ill health, meaning for the purposes of this article illness or disability certified by a general medical practitioner the Board or, in default of such nomination or approval within 10 Business Days of the relevant Transfer Event, nominated by the President for the time being of the Royal College of General Practitioners as rendering

the relevant individual permanently incapable of carrying out his role for the foreseeable future, or

- dismissal without cause, meaning for the purposes of this article the termination by the Company of the relevant individual's service contract in the absence of any material breach by the relevant individual of such service contract

9 7 2 **Bad Leaver** refers to any person who ceases to be a director or employee of the Company other than in circumstances where he is a Good Leaver or where that person ceases to be a director or employee of the Company within two years of becoming a director or employee

9 8 For the purpose of articles 9 1 4 and 9 5, the date upon which a Member ceases to hold office as described therein shall be

9 8 1 where a contract of employment or directorship is terminated by the giving of notice to the employee or director of the termination of the employment or directorship, the date of that notice (whether or not a payment is made in lieu of all or part of the notice period required to be given in respect of such termination),

9 8 2 where a contract of employment or directorship is terminated by the giving of notice by the employee or director of the termination of the employment or directorship, the date of that notice,

9 8 3 where one party wrongfully repudiates the contract of employment or directorship and the other accepts that the contract has been terminated, the date of such acceptance,

9 8 4 where a contract of employment or directorship is terminated under the doctrine of frustration, the date of the frustrating event, and

9 8 5 where a contract of employment or directorship is terminated for any reason other than in the circumstances set out in article 9.8 1 to 9 8 1 above, the date on which the action or event giving rise to the termination occurs

10 **Drag Along Option**

10 1 In this article 10

10 1 1 **Qualifying Offer** shall mean a bona fide offer in writing by or on behalf of a third party acting at arm's length (**Offeror**) to the holders of the entire issued share capital of the Company, and

10 1 2 **Dragging Shareholders** means the holder or holders of a majority of the issued shares

10 2 If the Dragging Shareholders wish to accept a Qualifying Offer they shall (subject to article 10 5) have the option (**Drag Along Option**) to require all the other holders of Shares to transfer all their Shares to the Offeror or as the Offeror directs in accordance with this article 10

- 10 3 The Dragging Shareholders may exercise the Drag Along Option by giving notice to that effect (a **Drag Along Notice**) to all other Members (**Dragged Shareholders**) at any time before the transfer of Shares to the Offeror. A Drag Along Notice shall specify that the Dragged Shareholders are required to transfer all their Shares (**Dragged Shares**) pursuant to article 10 2, the price at which the Dragged Shares are to be transferred under the Qualifying Offer and the proposed date and time of transfer
- 10 4 A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations under it will lapse if for any reason the Sale pursuant to the Qualifying Offer is not completed within 40 Business Days after the date of the Drag Along Notice, if applicable as re-served under article 10 5
- 10 5 Completion of the sale of the Dragged Shares under this article shall take place at the registered office of the Company at the time specified in the Drag Along Notice (as re-served, if applicable), being not less than five Business Days after the Drag Along Notice, when each Dragged Shareholder shall, upon payment to him of the relevant sale consideration due in respect of his Dragged Shares, transfer those Shares and deliver the relative share certificates to the Offeror or as it shall direct
- 10 6 If a Member fails to transfer any Shares when required pursuant to this article 10, the Board may authorise any person (who shall be deemed to be the attorney of the relevant Member for the purpose) to execute the necessary transfer of such Shares and deliver it on the Member's behalf The Company shall (at the direction of the Board) receive the purchase money for the relevant Shares from the relevant purchaser and shall, upon receipt of the duly stamped transfer, register the relevant purchaser as the holder of those Shares The Company shall hold the purchase money in a separate bank account on trust for the relevant Member but shall not be bound to earn or pay interest on any money so held The Company's receipt for the purchase money shall be a good discharge to the relevant purchaser (who shall not be concerned to see to the application of it) After the name of the relevant purchaser has been entered in the register of Members in purported exercise of the power conferred by this article, the validity of that exercise shall not be questioned by any person

11 Tag Along Right

- 11 1 Notwithstanding any other provision in these articles no sale or transfer or other disposition of any interest in any Share (**specified shares**) shall have any effect, if it would result in a Change of Control, unless before the sale, transfer or other disposition takes effect the Third Party Purchaser has made a bona fide offer in accordance with this article to purchase at the specified price (defined in article 11 3) all the Shares held by the Members (except any Member which has expressly waived its right to receive such an offer for the purpose of this article)
- 11 2 An offer made under article 11 1 shall be in writing, given in accordance with article 29, open for acceptance for at least 15 Business Days, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within 20 Business Days and the consideration under such an offer shall be settled in full on completion of the purchase and within 25 Business Days of the date of the offer
- 11 3 For the purposes of article 11 1

11 3 1 the expressions transfer, transferor and transferee include respectively the renunciation of a renounceable letter of allotment and any renouncer and renounee of such letter, and

11 3 2 the expression **specified price** means the higher of

- a price per share equal to the highest price paid or payable by the Third Party Purchaser or persons acting in concert with him or connected with him for any Shares within the last 6 months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the specified shares, and
- a price per share equal to the Issue Price thereof plus a sum equal to any arrears or accruals of the dividends on such Share grossed up at the rate of corporation tax then in force calculated down to the date the transfer is completed

11 4 If any part of the specified price is payable otherwise than in cash any Member may require, as a condition of his acceptance of the offer made under this article, to receive in cash on transfer all or any of the price offered for the Shares sold by him pursuant to the offer

11 5 If the specified price or its cash equivalent for any shares cannot be agreed within 15 Business Days of the proposed sale, transfer or other disposition referred to in article 11 1 between the Third Party Purchaser and Members holding 75% of the Shares concerned (excluding the Third Party Purchaser and persons who have waived their right to receive an offer), it may be referred to the Valuers by any Member and, pending its determination, the sale, transfer or other disposition referred to in article 11 1 shall have no effect

Directors: Decision-Making by Directors

12 Directors to take decisions collectively

12 1 Regulation 7 of the Model Articles shall be amended by

12 1 1 the insertion of the words “for the time being” at the end of regulation 7(2)(a); and

12 1 2 the insertion in regulation 7(2) of the words “(for so long as he remains the sole director)” after the words “and the director may”

13 Unanimous Decisions

13 1 A decision of the Board is taken in accordance with this article 13 when all eligible directors indicate to each other by any means that they share a common view on a matter. Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing

- 13 2 A decision may not be taken in accordance with article 13 1 if the eligible directors would not have formed a quorum at such a meeting

14 Calling a directors' meeting

- 14 1 Any director may call a meeting of the Board by giving not less than 3 Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice

15 Number of directors

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one, and 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 or the Model Articles

16 Quorum for directors' meetings

- 16 1 Subject to article 16 2 and regulation 7(2) of the Model Articles, the quorum for the transaction of business at a meeting of Board is any two eligible directors

- 16 2 For the purpose of any meeting (or part of a meeting) held pursuant to article 19 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director

- 16 3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision

16 3 1 to appoint further directors, or

16 3 2 to call a general meeting so as to enable the Members to appoint further directors

17 Casting vote

- 17 1 If the numbers of votes for and against a proposal at a meeting of Board are equal, the chairman or other director chairing the meeting shall not have a casting vote

18 Transactions or other arrangements with the Company

- 18 1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether director or indirectly, interested in an existing or proposed transaction or arrangement with the Company

18 1 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,

18 1 2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,

- 18 1 3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,
- 18 1 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,
- 18 1 5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and
- 18 1 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

19 Directors' conflicts of interest

- 19 1 The directors may, in accordance with the requirements set out in this article 19, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid a conflict of interest (**Conflict**)
- 19 2 Any authorisation under this article 19 will be effective only if
- 19 2 1 the matter in question shall have been proposed by any director for consideration at a meeting of the Board in the same way that any other matter may be proposed to the directors under the provisions of these articles or in such other manner as the directors may determine,
- 19 2 2 any requirement as to the quorum at the meeting of the Board at which the matter is considered is met without counting the director in question, and
- 19 2 3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted
- 19 3 Any authorisation of a Conflict under this article 19 may (whether at the time of giving the authorisation or subsequently)
- 19 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,
- 19 3 2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; and
- 19 3 3 be terminated or varied by the directors at any time

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

- 19 4 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to
- 19 4 1 disclose such information to the directors or to any director or other officer or employee of the Company, or
- 19 4 2 use or apply any such information in performing his duties as a director, where to do so would amount to a breach of that confidence
- 19 5 Where the directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director
- 19 5 1 is excluded from discussions (whether at meetings of the Board or otherwise) related to the Conflict,
- 19 5 2 is not given any documents or other information relating to the Conflict, and
- 19 5 3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of the Board in relation to any resolution relating to the Conflict
- 19 6 Where the directors authorise a Conflict
- 19 6 1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict, and
- 19 6 2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation
- 19 7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

20 Records of decisions to be kept

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

21 Appointment of directors

In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by

notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director

22 Termination of director's appointment

22 1 A person shall cease to be a director if

22 1 1 (being an executive director) he ceases to be employed by any member of the Company (and as a consequence is no longer an employee of any member of the Company); or

22 1 2 a member or members holding the whole or majority in nominal value of the issued ordinary share capital for the time being in the Company resolve to remove any director howsoever appointed Any such removal of a director shall be effected by an instrument in writing signed by a member or members holding the whole or majority in nominal value of the issued ordinary share capital of the Company and shall take effect upon lodgement of the instrument at the registered office of the Company or such later date as may be specified in the instrument

Regulation 18 of the Model Articles shall be extended accordingly

23 Secretary

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

24 Directors' expenses

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

Members: Decision-Making by Members

25 Quorum at general meetings

25 1 Subject to article 26, the quorum at any general meeting or adjourned general meeting of the Company shall be two qualifying persons present at the general meeting, except when the Company has only one Member, when the quorum shall be one such qualifying person

26 Adjournment

26 1 Where a general meeting is adjourned under regulation 41 of the Model Articles because a quorum is not present or if during a meeting a quorum ceases to be present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall form a quorum, and regulation 41 shall be modified accordingly

27 Poll Votes

27 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting

- 27 2 Regulation 44(3) of the Model Articles shall be amended by the insertion of the words “A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made” as a new paragraph at the end of that regulation

28 Proxies

- 28 1 Regulation 45(1)(d) of the Model Articles shall be deleted and replaced with the words “is delivered to the Company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate”
- 28 2 Regulation 45(1) of the Model Articles shall be amended by the insertion of the words “and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting” as a new paragraph at the end of that regulation

Administrative Arrangements

29 Means of communication to be used

- 29 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
- 29 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
- 29 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 29 1 3 if properly addressed and sent or supplied by electronic means, one / six hour(s) after the document or information was sent or supplied, and
- 29 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this article 29, no account shall be taken of any part of a day that is not a ‘working day’

- 29 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

30 Indemnity

30 1 Subject to article 30 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

30 1 1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer

30 1 1 1 in the actual or purported execution and/or discharge of his duties, or in relation to them, and

30 1 1 2 in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs, and

30 1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 30 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

30 2 This article 30 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

30 3 In this article 30

30 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

30 3 2 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)

31 Insurance

31 1 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

31 2 In this article 31

31 2 1 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act),

- 31 2 2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and
- 31 2 3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate