

**THE COMPANIES ACTS 1985 & 1989**

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**A PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**- OF -**

**MAINLAND CONTRACTORS LIMITED**

**Company Number: 2071158**

**As amended by Written Resolution passed on 18 April 2007**

**HOWES PERCIVAL**  
S O L I C I T O R S

LEICESTER MILTON KEYNES NORTHAMPTON NORWICH

THURSDAY



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COMPANIES HOUSE

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**A PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**- OF -**

**MAINLAND CONTRACTORS LIMITED**

**1. PRELIMINARY**

- 1 1 The Regulations contained in Table A at the date of incorporation shall not apply to the Company

**2. INTERPRETATION**

- 2 1 In these Articles

""**A** Ordinary Shares" means the "A" Ordinary Shares of £1 each in the capital of the Company,

"**the Act**" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force,

"**the Articles**" means the Articles of Association of the Company,

""**B** Ordinary Shares" means the "B" Ordinary Shares of £1 each in the capital of the Company,

"**clear days**" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect,

"**executed**" includes any mode of execution,

"**office**" means the registered office of the Company,

"**Ordinary Shares**" means the "A" Ordinary Shares and the "B" Ordinary Shares and the Undesignated Ordinary Shares,

**"Preference Shares"** means the Preference Shares of £1 each in the capital of the Company,

**"the holder"** in relation to shares means the member whose name is entered in the register of members as the holder of the shares,

**"the seal"** means the common seal of the Company,

**"secretary"** means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary,

**"Undesignated Ordinary Shares"** means the (as at the date of adoption of these Articles) unissued ordinary shares of £1 each in the capital of the Company,

**"the United Kingdom"** means Great Britain and Northern Ireland

- 2 2 Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company

### 3. **SHARE CAPITAL**

- 3 1 The authorised share capital of the Company as at the adoption of these Articles is £150,000 divided into

- 3 1 1 145,000 Preference Shares of £1 each,
- 3 1 2 1,276 "A" Ordinary Shares of £1 each,
- 3 1 3 601 "B" Ordinary Shares of £1 each,
- 3 1 4 3,123 Undesignated Ordinary Shares of £1 each

- 3 2 Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine

- 3 3 Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by the Articles

- 3 4 The Company may exercise the powers of paying commissions conferred by the Act Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other

- 3 5 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder
- 3 6 The rights attaching to the respective classes of shares shall be as follows (but subject always to Article 38)
- 3 6 1 as to voting
- (i) the "A" Ordinary Shares and the "B" Ordinary Shares and the Undesignated Ordinary Shares carry the right, treated *pari passu* as one class of share capital, to receive notice of, attend, speak and vote at all general meetings of the Company,
  - (ii) the Preference Shares do not carry the right to receive notice of and to attend at any general meetings of the Company and do not carry any right to vote thereat,
- 3 6 2 as regards income
- (i) the "A" Ordinary Shares and the "B" Ordinary Shares and the Undesignated Ordinary Shares carry the right to receive a dividend but treated as different classes of share and dividends may be declared in respect of one class only or may be declared on different terms and rates for different classes of shares,
  - (ii) the Preference Shares do not carry the right to receive any dividends,
- 3 6 3 as to capital, on a return of assets on a liquidation, reduction of capital or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority
- (i) first in paying to the holders of the Preference Shares an amount equal to the sum paid up or credited as paid up on each such share,
  - (ii) subject thereto the balance shall be paid to the holders of the "A" Ordinary Shares and the "B" Ordinary Shares and the Undesignated Ordinary Shares treated *pari passu* as one class of share capital

#### **4. ALLOTMENT OF SHARES**

- 4 1 The shares of the Company (whether forming part of the initial authorised share capital or any increased authorised share capital) may be allotted or otherwise disposed of only in accordance with the provisions of this Article
- 4 2 After the initial allotment, any shares of the initial authorised share capital for the time being unissued and any new shares from time to time to be created shall, before they are allotted,

be offered to the members in proportion as nearly as may be to the number of shares held by them of the same class as the shares being created unless the Company shall by special resolution otherwise direct. Such offer shall be made by notice in writing specifying the number of shares and limiting the time in which the offer if not accepted will lapse and determine, such time limit to be not less than twenty-eight days (the "**Lapse Date**")

- 4 3 If the offer to a member lapses and determines without any of the shares the subject of the offer having been accepted or if a member accepts some but not all of the shares offered by the Lapse Date, then the Company shall make a second offer in the manner specified above of the shares unaccepted on the first offer to those members who did accept all the shares offered to them in the first offer
- 4 4 First and second offers shall be deemed to be accepted upon receipt of a letter of acceptance by the Company
- 4 5 If any shares offered have not been accepted in the second offer (due to the expiration of such time limit or on receipt of an intimation from the person to whom the offer was made that he declines to accept any or all of the shares comprised in the second offer) or if any shares are released from the provisions of Article 4 2 by special resolution of the Company in general meeting then the directors may allot or grant options over such shares in such manner to such persons on such terms as they think most beneficial to the Company
- 4 6 The directors may also dispose in such manner to such persons on such terms as they think most beneficial to the Company any shares which cannot be offered except by way of fractions
- 4 7 Any shares accepted in the first offer shall be paid for within seven days of the date on which the offer lapsed. Where shares were accepted on the second offer then they shall be paid for within seven days of the date on which the second offer lapsed. Payment shall be deemed to be made on the day the Company receives a cheque, credit transfer or banker's draft for the appropriate sum. Failure to pay within the time specified will enable the Company to re-offer the shares unpaid for as if they had been offered to and unaccepted by the defaulting member on the first offer
- 4 8 The directors are authorised in accordance with Section 80 of the Act to allot and dispose of or grant options over the Company's shares, in accordance with the Articles, up to the

amount of the authorised share capital of the Company at any time or times during the period of five years from the date of adoption of these Articles

- 4 9 In accordance with Section 91(1) of the Act Section 89(1), Section 90(1) to (6) of the Act shall be excluded from applying to the Company

**5. SHARE CERTIFICATES**

- 5 1 Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine Every certificate shall be executed as a deed by the Company and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them

- 5 2 If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate

**6. LIEN**

- 6 1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation The Company's lien on a share shall extend to any amount payable in respect of it

- 6 2 The lien conferred by Article 6 1 above shall attach to all shares (but only in respect of not fully paid up shares) registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders

6 3 The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold

6 4 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to or in accordance with the directions of the purchaser The title of the Transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale

6 5 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale

## **7. CALLS ON SHARES AND FORFEITURE**

7 1 Subject to the terms or allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving within fourteen clear days of the call being made at least fourteen clear days' notice to satisfy the call, such notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares A call may be required to be paid by instalments A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made

7 2 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed

7 3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof

- 7 4 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it becomes due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part
- 7 5 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call
- 7 6 Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares
- 7 7 If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited
- 7 8 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture, shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture
- 7 9 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person



7 10 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal

7 11 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share

## **8. TRANSFER OF SHARES**

8 1 The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the Transferor, and unless the share is fully paid, by or on behalf of the Transferee

8 2 The directors may decline to register any transfer of a share on which the Company has a lien

8 3 Subject to Article 8 8 the directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of a share (whether or not it is fully paid)

8 4 If the directors refuse to register a transfer of a share they shall within two months after the date on which the transfer was lodged with the Company send to the Transferee notice of the refusal

8 5 The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine

8 6 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share

8 7 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given

8 8 **Share transfer veto**

Notwithstanding anything contained in these articles, the Directors shall not decline to register any transfer of shares, nor may they suspend registration of it where the transfer

(a) is to any bank or institution to which such shares have been charged by way of security, or to any nominee of such a bank or institution ("a **Secured Institution**"), or

(b) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares,

(c) is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security, or

(d) is executed by an administrator or administrative receiver appointed by a Secured Institution

and furthermore notwithstanding anything to the contrary contained in these articles no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall be required to offer the shares which are or are to be the subject of any transfer aforesaid to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under the articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not

9. **TRANSFER PROCEDURE**

9 1 Any person (the "**Proposing Transferor**") proposing to transfer any shares shall give notice in writing (the "**Transfer Notice**") to the Company that he desires to transfer the same stating the sum which he fixes as the fair value of each share and the number and class of

shares which he wishes to transfer. The Transfer Notice shall specify the Company as the Proposing Transferor's agent for the sale of the shares to the other members of the Company. The Transfer Notice shall not be revocable except with the sanction of the directors.

- 9.2.1 If the shares comprised in a Transfer Notice are Ordinary Shares, the Company shall instruct the auditors to certify a fair valuation of the Ordinary Shares comprised in the Transfer Notice such valuation to be on the following assumptions:
- (a) the Company is continuing as a going concern,
  - (b) the shares are to be sold by a willing buyer to a willing seller,
  - (c) no discount is ascribed because the shares comprise a minority holding,
  - (d) no premium is ascribed because the shares comprise a majority holding.
- 9.2.2 On the auditors certifying the fair value of the Ordinary Shares comprised in the Transfer Notice such fair value shall be deemed to be the price at which the Proposing Transferor wishes to sell the Ordinary Shares comprised in the Transfer Notice and the Proposing Transferor shall be bound by such fair value.
- 9.2.3 If the shares comprised in the Transfer Notice are Preference Shares the fair value of such shares shall be deemed to be their par value and the Proposing Transferor shall be bound by the valuation of such shares at par.
- 9.3 The shares comprised in any Transfer Notice shall be offered to the members (other than the Proposing Transferor) each holding Ordinary Shares as nearly as may be in proportion to the number of Ordinary Shares held by them respectively at the date when the Proposing Transferor gave notice to the Company. On the price being determined pursuant to clause 9.2 such offer shall be made by notice in writing (the "**Offer Notice**") which shall state the number and class of shares to be offered to each member, the price per share as determined by clause 9.2 and that the offer is subject to the provisions of this Article. The Offer Notice shall request the recipient to state if he wishes to apply for more than the shares on offer to him, and if so to state the maximum number of such shares he is willing to purchase. If a Proposing Transferor proposes to transfer more than one class of shares, each class of shares shall be the subject of a separate Offer Notice. Such an offer made to a member shall lapse (the "**Lapse Date**") after ninety days from the date of dispatch by the Company of the Offer Notice.

- 9 4 Any shares not capable of being offered to members in proportion to their existing holding without fractions shall be offered to such members as the directors shall unanimously decide
- 9 5 The offer shall be deemed accepted upon receipt of a letter of acceptance by the Company
- 9 6 On the first to happen of either the receipt of acceptances or rejections from all those who received an Offer Notice, or the Lapse Date the Company shall ascertain if
- 9 6 1 members holding shares of the same class as those in the Offer Notice (and for this purpose the Ordinary Shares shall be treated as one class) have accepted all the shares of that class comprised in the Transfer Notice, and
- 9 6 2 in respect only of Preference Shares which have not been accepted in total from members holding shares of the same class, whether members holding Ordinary Shares wish to accept any of such shares
- 9 7 If the Company establishes that not every member holding shares of the same class as the class specified in the Offer Notice (and for this purpose the Ordinary Shares shall be treated as one class) has accepted all his allocation set out in the Offer Notice
- 9 7 1 but other members holding shares of that class have applied for some or all of the excess, the excess shall be allocated to such other members in such proportions as the directors deem fair and reasonable, and
- 9 7 2 in the case of the Offer Notice being for Preference Shares, if members holding Ordinary Shares have applied for some or all of the excess, the excess shall be allocated to the members holding Ordinary Shares in such proportions as the directors deem fair and reasonable
- 9 8 If the Company establishes pursuant to clause 9 6 that all or any of the shares comprised in the Transfer Notice have not been accepted, the Proposing Transferor may at any time within 12 months of the Lapse Date sell such shares to any person and at any price being not less than the price specified in the Offer Notice If the Proposing Transferor receives an offer for such shares at a price less than the price specified in the Offer Notice, and wishes to accept such offer, he must first serve a Transfer Notice on the Company stating the price offered and the provisions of paragraphs 9 1 to 9 7 above shall apply save that the price offered shall be deemed to be the fair value determined under clause 9 2
- 9 9 If purchasing members shall be found for all the shares comprised in the Transfer Notice to the Company then the Company shall within two days of establishing that fact pursuant to

clause 9 6, give notice in writing to the purchasing members whose applications have been successful and give notice in writing to the Proposing Transferor specifying the purchasing members

- 9 10 The Transferees, or Transferee as the case may be, shall be bound to pay the purchase price in respect of the shares accepted by them within seven days of receipt of notice under clause 9 9 The Proposing Transferor shall be bound upon payment of the price due in respect of all the shares comprised in Transfer Notice to transfer the shares to the purchasing members
- 9 11 If the Proposing Transferor shall fail or refuse to transfer any of the shares to a purchasing member in accordance with notice given to him by the Company, the Company may authorise some person to execute and deliver on his behalf the necessary transfer and the Company shall receive the purchase money in trust without interest for the Proposing Transferor, and cause the purchasing member to be registered as the holder of such shares The receipt of the Company for the purchase money shall be a good discharge to the Purchaser who shall not be bound to see to the application thereof
- 9 12 The provisions of clauses 9 1 to 9 11 above shall not apply on the death or retirement of a holder of shares who holds shares as trustee of a trust noted as such in the register of members of the Company in respect only of a transfer of such shares to a new trustee of such trust
- 9 13 If a member is an employee of the Company (or any subsidiary of the Company) and ceases (for any reason) to be an employee of the Company (or any subsidiary of the Company) then the directors may by notice to him declare that there shall be deemed to have been served by such member a Transfer Notice in respect of that member's entire holding of Ordinary Shares Such Transfer Notice shall be deemed to have been served as at the date of service (or date of deemed service) of such notice from the directors On a deemed service of a Transfer Notice under this Article 9 13 the provisions of Articles 9 1 to 9 12 shall take effect in respect of the shares the subject of the deemed Transfer Notice
- 9 14 After 1st April 2007 if any person or persons (the "**Majority Group**") holding 51 per cent or more of the Ordinary Shares (by value of votes on a poll) enter into or propose to enter into an agreement (the "**Sale Agreement**") to sell their entire holding of Shares to an unconnected third party on bona fide arms length terms (the "**Purchaser**") they shall serve a notice (a "**Compulsory Purchase Notice**") on every other holder of shares (the "**Minority**")

**Shareholders")** requiring all the Minority Shareholders to sell all their shares to the Purchaser on the same terms as the Majority Group are selling their shares

- 9 15 On the service of a Compulsory Purchase Notice the Minority Shareholders shall be bound to sell their entire holding of shares within a timescale nominated in the Compulsory Purchase Notice not being less than 14 days from service of that Notice or more than 60 days from service of that Notice On the date set for Completion of the sale of the entire issued share capital of the Company the Minority Shareholders shall deliver to the Company their share certificates and a signed stock transfer form which they shall release on cleared funds for the sale consideration being made available and otherwise on condition that all the issued share capital in the Company is being sold at the same time and on the same terms as the Minority Shareholders are selling their shares

**10. TRANSMISSION OF SHARES**

- 10 1 If a member dies the survivor or survivors where he was a joint holder and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest, but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him

**11. TRANSFER ON BANKRUPTCY OR LIQUIDATION**

- 11 1 A person entitled to any shares in the Company in consequence of the bankruptcy or liquidation of a member shall be bound at any time, if and when required in writing by the Company so to do, to give a Transfer Notice in respect of such shares provided that in any case where the Company had duly required such a Transfer Notice to be given in respect of any shares and such transfer notice is not duly given within such period (being not less than thirty days) as the Company shall specify therein such Transfer Notice shall be deemed to have been given on such date after the expiration of the said period as the Company shall determine and the price per share shall be fixed by the auditors of the Company at a figure representing the fair value of such shares

**12. ALTERATION OF SHARE CAPITAL**

- 12 1 The Company may by ordinary resolution  
12 1 1 increase its share capital by new shares of such amount as the resolution prescribes,

- 12 1 2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- 12 1 3 subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others, and
- 12 1 4 cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled
- 12 2 Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors, may on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser The Transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale
- 12 3 Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way

**13. PURCHASE OF OWN SHARES**

- 13 1 Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and, if it is a private Company, make 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

**14. GENERAL MEETINGS**

- 14 1 All general meetings other than annual general meetings shall be called extraordinary general meetings
- 14 2 The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the Company may call a general meeting

**15. NOTICE OF GENERAL MEETINGS**

- 15 1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed
- 15 1 1 in the case of an annual general meeting, by all the members entitled to attend and vote thereat, and
- 15 1 2 in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent, in nominal value of the shares giving that right. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such

Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors



15 2 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting

**16. PROCEEDINGS AT GENERAL MEETINGS**

16 1 No business shall be transacted at any meeting unless a quorum is present

16 1 1 Subject to clause 16 1 2, two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum

16 1 2 In the case of the Company being of single member status, the sole member or a proxy for the sole member or a duly authorised representative of a sole member corporation, shall be a quorum

16 2 If, within half an hour from the time appointed for any general meeting a quorum is not present or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the directors may determine and if at the adjourned meeting a quorum is not present within half an hour, the meeting will be dissolved

16 3 The chairman, if any, of the Board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman

16 4 If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman

16 5 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company

16 6 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place,

but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place When a meeting is adjourned for fourteen days or more, at least seven clear days notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted Otherwise it shall not be necessary to give any such notice

- 16 7 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded Subject to the provisions of the Act, a poll may be demanded by
- 16 7 1 the chairman, or
- 16 7 2 at least two members having the right to vote at the meeting, or
- 16 7 3 a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting, or
- 16 7 4 by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right,
- 16 8 and a demand by a person as proxy for a member shall be the same as a demand by the member
- 16 9 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the Minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution
- 16 10 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made
- 16 11 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded
- 16 12 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have

16 13 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

16 14 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

16 15 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

## **17. VOTES OF MEMBERS**

17 1 Subject to any rights or restrictions attached to any shares (and in particular Article 38), on a show of hands every member who (being an individual) is present in person (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.

17 2 In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the Register of members.

17 3 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of

the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, 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 default the right to vote shall not be exercisable

17.4 No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid

17.5 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive

17.6 On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion

17.7 An instrument appointing a proxy shall be in writing, 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 annual/extraordinary general meeting of the Company to be held on the [ ] day of [ ] 20 [ ], and at any adjournment thereof

Signed on the [ ] day of [ ] 20 [ ]"

17.8 Where it is desired to afford members an opportunity of instructing the proxy how he shall act the instrument appointing 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)

" [ ] 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 annual/extraordinary general meeting of the Company to be held on the [ ] day of [ ] 20 [ ], and at any adjournment thereof

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

Resolution Number 1 \*for \*against

Resolution Number 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 [ ]"

- 17 9 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may
- 17 9 1 be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or
- 17 9 2 in the case of a poll taken more than forty-eight hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll, or
- 17 9 3 where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director, and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid
- 17 10 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the

vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll

**18. APPOINTMENT OF DIRECTORS**

- 18 1 No person shall be appointed a director at any general meeting unless
- 18 1 1 he is recommended by the directors, or
- 18 1 2 not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's Register of directors together with notice executed by that person of his willingness to be appointed or reappointed
- 18 2 Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the directors for appointment or reappointment as a director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment as a director The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's Register of directors
- 18 3 Subject as aforesaid, 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
- 18 4 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of directors A director so appointed shall hold office only until the next following annual general meeting
- 18 5 The number of the directors shall be determined by an ordinary resolution of the Company in general meeting but unless and until so fixed there shall be no maximum number of directors and the minimum number of directors shall be one In the event of the minimum number of directors fixed by or pursuant to these Articles being one, a sole director shall

have authority to exercise all the powers and discretions under these Articles expressed to be vested in the directors generally and Article 20 3 shall be modified accordingly

**19. ALTERNATE DIRECTORS**

- 19 1 Any director (other than an alternate director) may appoint either another director, or any other person willing to act, to be an alternate director and may remove from office an alternate director so appointed by him
- 19 2 An alternate director shall (subject to his giving to the Company an address at which notices may be served upon him) be entitled to receive notice of all meetings of directors and of all meetings of Committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom
- 19 3 An alternate director shall cease to be an alternate director if his appointor ceases to be a director
- 19 4 A director or any other person may act as alternate director to represent more than one director and an alternate director shall be entitled at meetings of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a director but he shall count as only one for determining whether a quorum is present
- 19 5 Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors
- 19 6 Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him

**20. PROCEEDINGS OF DIRECTORS**

- 20 1 Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes provided that at or before the declaration by the Chairman of the result of any vote, any Director who also holds shares in the Company may demand that, in respect of the resolution then being voted on, each Director who does not hold shares in the Company shall have one vote and each Director who does hold shares in the Company shall have one vote for each such share he holds. On such a demand being made the resolution shall be determined in accordance with such voting procedure. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
- 20 2 Without limitation to the powers of the directors to regulate their proceedings under Article 20 1 any director may participate in a meeting of the Board or of a Committee of the Board by means of conference telephone or similar communication equipment whereby all the directors participating in the meeting can hear each other and the director participating in a meeting in this manner shall be deemed to be present in person at such meeting.
- 20 3 The quorum for the transaction of the business of the directors may be fixed by the directors. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 20 4 The directors may appoint one of their number to be the chairman of the Board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors 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 five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be the chairman of the meeting.
- 20 5 All acts done by a meeting of directors, or of a Committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every



such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote

20 6 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a Committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a Committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors, but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity

20 7 If, a question arises at a meeting of directors or of a Committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive

## **21. POWERS OF DIRECTORS**

21 1 Subject to the provisions of the Act, the memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company No alteration of the memorandum or Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given The powers given by this regulation shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors

21 2 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers

## **22. DELEGATION OF DIRECTORS' POWERS**

22 1 The directors may delegate any of their powers to any Committee consisting of one or more directors They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him Any such delegation may be made subject to any conditions the directors may

impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a Committee with two or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying.

**23. REMOVAL OF DIRECTORS**

- 23 1 The office of a director shall be vacated
- 23 1 1 if by notice in writing to the Company he resigns the office of director,
- 23 1 2 if he ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director,
- 23 1 3 if he becomes bankrupt or insolvent, or enters into an arrangement or composition with his creditors,
- 23 1 4 if he becomes incapable by reason of mental disorder, illness or injury of managing and administering his property and affairs,
- 23 1 5 if, except in the case of a sole director, he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated,
- 23 1 6 if he is removed from office by resolution duly passed under Section 303 of the Act

**24. REMUNERATION OF DIRECTORS**

- 24 1 The directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day

**25. DIRECTORS' EXPENSES**

- 25 1 The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or Committees of directors or general meetings or separate meetings of their holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties

**26. MANAGING DIRECTORS**

- 26 1 Subject to the provisions of the Act, 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 of any services outside the scope of the ordinary duties of a director Any such appointment, agreement or arrangement may be made upon 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 if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company

**27. DIRECTORS INTERESTS**

27 1 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office  
27 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 interested,  
27 1 2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested, and  
27 1 3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit

27 2 For the purposes of Article 27 1

27 2 1 a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified, and

27 2 2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his

27 3 A director who has disclosed his interest in accordance with Articles 27 1 and 27 2 above and Section 317 of the Act may vote in respect of any contract, proposed contract or any arrangement in which he is interested directly or indirectly and such director shall be counted in the quorum present at any meeting at which such contract or proposed contract or arrangement is being considered

**28. DIRECTORS' GRATUITIES AND PENSIONS**

28 1 The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a

subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit

**29. SECRETARY**

29 1 Subject to the provisions of the Act the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit, and any such secretary so appointed may be removed by them if at any time there shall be no secretary or for any reason no secretary capable of acting or if the secretary is for any reason unavailable, the directors may appoint an assistant or deputy secretary

**30. MINUTES**

30 1 The directors shall cause Minutes to be made and kept in books for the purpose of  
30 1 1 all appointments of officers made by the directors, and  
30 1 2 all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors and of Committees of directors, including the names of the directors present at each such meeting

**31. EXECUTION OF DEEDS**

31 1 If the Company has a seal then it shall only be used by the authority of the directors or of a Committee of directors authorised by the directors The directors may determine who shall execute any instrument as a deed whether or not a seal is affixed to the deed and unless otherwise so determined such deed shall be signed by a director and by the secretary or by a second director

**32. DIVIDENDS**

32 1 Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors

- 32.2 Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
- 32.3 Except as otherwise provided by the rights attached to shares (and in particular Article 38), all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but, if any share is issued in terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
- 32.4 A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
- 32.5 Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the Register of members or to such persons and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

32 6 No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share

32 7 Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company

**33. ACCOUNTS**

33 1 No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company

**34. CAPITALISATION OF PROFITS**

34 1 The directors may with the authority of an ordinary resolution of the Company  
34 1 1 subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve,

34 1 2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to members credited as fully paid,

34 1 3 make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this Article in fractions, and

34 1 4 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of

any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members

**35. NOTICES**

- 35 1 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing
- 35 2 The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. 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 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
- 35 3 A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called
- 35 4 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title
- 35 5 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of forty-eight hours after the envelope containing it was posted
- 35 6 A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the Articles for the giving of notice to a member, addressed to them by name or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice



may be given in any manner in which it might have been given if the death or bankruptcy had not occurred

**36. WINDING UP**

36 1 If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability

36 2 Any division of assets among the members shall have regard to Article 38

**37. INDEMNITY**

37 1 Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company

37 2 The Company shall be permitted, in accordance with Section 310(3) of the Act, to purchase and maintain directors' and officers' liability insurance against any such liability as is referred to in Section 310(1) of the Act

**38. RATCHET**

38 1 For as long as the entire issued "B" Ordinary Shares are held by Mr Joseph McQuade and Mr Richard Martins (or by their personal representatives) in the following proportions: Mr Joseph McQuade 440 Shares and Mr Richard Martins 161 Shares, on a Relevant Event occurring the "B" Ordinary Shares held by them will, respectively, have

38 1 1 in respect of voting rights, the percentage of poll votes that are capable of being cast in accordance with the following table (and each such share shall be deemed to have a pro rata part of such total percentage of the poll votes),

38 1 2 in respect of rights to a dividend, the entitlement to receive the percentage of the entire dividend declared on the "B" Ordinary Shares as is set out in the following table (and each such Share shall be deemed to be entitled to have a pro rata entitlement to such total percentage),

38 1 3 in respect of rights to a return of assets, the entitlement to receive the percentage of the entire return of assets declared on the "B" Ordinary Shares as is set out in the following table (and each such share shall be deemed to be entitled to have a pro rata entitlement to such total percentage)

<b>Date of Relevant Event</b>	<b>% attributed to Mr McQuade's shareholding</b>	<b>% attributed to Mr Martins' shareholding</b>
1 May 2004 to 31 March 2005	Two Thirds	One Third
1 April 2005 to 31 March 2006	61%	39%
1 April 2006 to 31 March 2007	56%	44%
1 April 2007 onwards	52%	48%

38 2 For the purposes of Article 38 1 a Relevant Event shall be

38 2 1 the holding of a poll vote at any general meeting of the Company, or

38 2 2 the declaration of a dividend to the holders of the "B" Ordinary Shares, or

38 2 3 the return of surplus assets on a liquidation or reduction in capital, to the holders of the "B" Ordinary Shares

Name and Address of Subscriber

Geoffrey Atkinson  
Churchill House  
2 Broadway  
Kettering  
Northants  
NN15 6DD

John Frederick Hawksby  
Churchill House  
2 Broadway  
Kettering  
Northants  
NN15 6DD

Dated 13 October 1986

WITNESS to the above signature

Name Rhona M Kenyon

Address 51 Durban Road,  
Kettering  
Northants

Occupation. Clerk