

**Company No: 3041925**

**COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION**

**OF**

**Gripperrods Limited**

The undersigned, being all the members of the Company who at the date of this resolution are entitled to attend and vote at a general meeting of the Company convened for the purpose of considering and passing the resolution set out below HEREBY RESOLVE with the intent that the following resolution should be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held as follows -

**SPECIAL RESOLUTION**

THAT the regulations contained in the printed document marked 'A' distributed along with this written resolution be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of all the existing articles thereof.

Signed



(representing Gates (U.K.) Limited)

Dated. 23 February 2012

TUESDAY



LD5

28/02/2012  
COMPANIES HOUSE

#313

Company Number 3041925

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION  
OF  
GRIPPERRODS LIMITED**

(adopted by special resolution passed on 23 February 2012)

**PART 1**

**INTERPRETATION, LIMITATION OF LIABILITY AND OTHER PRELIMINARY  
MATTERS**

**1. Non-applicability of the prescribed forms of Articles**

None of the model forms of Articles of Association prescribed by the Companies (Model Articles) Regulations 2008 shall apply to the Company and the following regulations shall be the Articles of Association of the Company.

**2. Defined terms**

**2.1 In these Articles, unless the context requires otherwise:**

“Act” means the Companies Act 2006 as from time to time in force;

“Articles” means these Articles of Association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“Chairman” has the meaning given in Article 19,

“Director” means a Director of the Company, and includes any person occupying the position of Director, by whatever name called;

“Distribution Recipient” has the meaning given in Article 45;

“Eligible Director” means a Director who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors’ meeting (but excluding any Director whose vote is not to be counted in respect of a particular matter);

“fully paid” in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company;

“Holder” in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares,

“ordinary resolution” has the meaning given in section 282 of the Act,

“Parent Company” has the meaning set out in Article 11,

“participate”, in relation to a Directors’ meeting, has the meaning given in Article 17,

“Shareholder” means a person who is the Holder of a Share;

“Shares” means Shares in the Company,

“special resolution” has the meaning given in section 283 of the Act; and

“Transmittee” means a person entitled to a Share by reason of the death, bankruptcy or liquidation of a Shareholder or otherwise by operation of law

2 2 References in these Articles to a “document” includes, unless otherwise specified, any document sent or supplied in electronic form

2.3 References in these Articles to “writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

2 4 “Electronic form” has the meaning given in section 1168 of the Act

2 5 References in these Articles to Shares being “paid” means paid or credited as paid

2 6 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Company

2 7 Unless the context otherwise requires

(a) words importing the singular include the plural and vice versa,

(b) words importing any gender include all other genders; and

(c) words importing natural persons include corporations

### 3 **Liability of Shareholders**

The liability of each Shareholder is limited to the amount, if any, unpaid on the Shares held by him

### 4 **Memorandum not to apply**

None of the provisions of the Memorandum of Association of the Company as deemed to be included in the Company’s Articles of Association shall from the date of the adoption of these Articles apply, save for those provisions stating the name of the Company

### 5. **Objects**

The objects of the Company are unrestricted

**6 Share Capital**

The share capital of the Company at the date of adoption of these Articles is £9,806,459 divided into 3,000,000 Preferred Ordinary Shares, 3,000 Special Ordinary Shares, 500 000 Super Preference Shares, 6,300,000 New Ordinary Shares, and 64,290 Deferred Shares.

The shares identified in the paragraph above shall be separate classes of shares and shall carry the respective rights set out in these Articles below:

**(i) DIVIDEND RIGHTS**

Subject to the Directors recommending payment of a dividend, any available profits which the Company may determine to distribute in respect of any financial year shall be applied in paying to the holders of the Preferred Ordinary Shares, the Super Preference Shares, the New Ordinary Shares and the Special Ordinary Shares a dividend on those shares as if they constituted a single class

None of the Super Preference Shares and Deferred Shares shall confer upon their holders any right to participate in the profits of the Company by receipt of any dividend or other distribution

**(ii) RETURN OF CAPITAL RIGHTS**

On a return of capital on liquidation or otherwise (except on the redemption of shares of any class or the purchase by the Company of its own shares), the surplus assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority.-

first, in paying to the holders of Super Preference Shares the sum of £1 00 in respect of each Super Preference Share held:

second, in paying to the holders of Super Preference Shares a further sum of £1.00 in respect of each Super Preference Share held,

third, in paying to the holders of Preferred Ordinary Shares the sum of £1 00 in respect of each Preferred Ordinary Share held;

fourth, in payment to the holders of New Ordinary Shares and Special Ordinary Shares the amounts paid up, or credited as paid up, on the New Ordinary Shares and Special Ordinary Shares held by them,

fifth, in distributing among the holders of the New Ordinary Shares and the Special Ordinary Shares pro rata and pari passu as if those shares constituted one class of share rateably in proportion to the amounts paid up, or credited as paid up, on the New Ordinary Shares and the Special Ordinary Shares held by them respectively the sum of £10,000 per New Ordinary Share and Special Ordinary Share; and

sixthly, in paying to the holders of the Deferred Shares the amount paid up and credited as paid up, on the Deferred Shares held by them.

### (iii) VOTING RIGHTS

Holders of New Ordinary Shares, Preferred Ordinary Shares and Special Ordinary Shares shall hold the voting rights of the Company as if they constituted a single class of shares

Though the Super Preference Shares do not hold voting rights of the Company the holders of Super Preference Shares shall be entitled to receive notice of resolutions of the members of the Company

None of the Deferred Shares shall entitle their holders to receive notice of resolutions of the members of the Company or have any voting rights on such resolutions

### (iv) REDEMPTION RIGHTS OF SUPER PREFERENCE SHARES AND PREFERRED ORDINARY SHARES

Subject to the provisions of the Act, the Company may at any time and from time to time at its option redeem at £1 00 per Super Preference Share together with a further return on the Super Preference Shares of £1.00 per Super Preference Share and thereafter at £1 00 per Preferred Ordinary Share some or all of the Super Preference Shares or Preferred Ordinary Shares in aggregate nominal amounts which are multiples of £50,000 subject always that no Preferred Ordinary Share will be redeemed until all the Super Preference Shares have previously been redeemed in accordance with this paragraph.

So far as reasonably practicable the Company shall give to each holder of Super Preference Share or Preferred Ordinary Shares not less than 7 days' notice in writing of a proposed date for redemption ("a Redemption Date") stating the number of its Super Preference Shares or Preferred Ordinary Shares to be redeemed on that date and naming the place for delivery to the Company of the relevant share certificates

On the Redemption Date the Company shall -

(i) pay to the holders of the Super Preference Shares or Preferred Ordinary Shares (as the case may be) the redemption monies, which unless otherwise agreed between the Company and the holder of the Super Preference Shares or Preferred Ordinary Shares shall be made by cheque sent to the registered address of each holder; and

(ii) subject to receipt of the share certificates for cancellation of those Super Preference Shares or Preferred Ordinary Shares to be redeemed (or if the same shall be lost or destroyed, a suitable indemnity), deliver to the holders of the Super Preference Shares or Preferred Ordinary Shares share certificates in respect of the balance (if any) of their holdings after redemption.

Where the Act permits the Company to redeem some only of the Super Preference Shares or Preferred Ordinary Shares which would otherwise fall to be redeemed on the Redemption Date, the Company shall redeem on the Redemption Date that number of Super Preference Shares or Preferred Ordinary Shares as may lawfully be redeemed on that date rateably on a pro rata basis and shall redeem as soon thereafter as it shall be lawfully permitted so to do and as often as may be necessary, the

remaining number of the Super Preference Shares or Preferred Ordinary Shares which would otherwise have fallen to be redeemed on that date.

**(v) CONVERSION AND CANCELLATION**

The Preferred Ordinary Shares shall be capable of being converted at the option of the Company into and/or redesignated as New Ordinary Shares at any time or times and with the prior written consent of a majority in number of the holders of Preferred Ordinary Shares. Any such conversion and/or redesignation shall not constitute a variation, modification or abrogation of the rights attaching to the Preferred Ordinary Shares.

As soon as reasonably practicable before the conversion of any Preferred Ordinary Shares under the Articles the Company shall give written notice to each of the holders of the Preferred Ordinary Shares of the date on which the conversion shall take place. The notice shall be expressed to be conditional on the consent referred to above being obtained within a specified period of not more than three months from the date of the written notice.

As soon as reasonably practicable after any conversion of the Preferred Ordinary Shares under the Articles, the holders of the New Ordinary Shares resulting from the conversion shall send to the Company the certificates in respect of their holdings of Preferred Ordinary Shares and on receipt of those certificates, the Company shall issue to them certificates for the New Ordinary Shares held by them.

The New Ordinary Shares resulting from a conversion under the paragraph above shall for the purposes of dividend, voting and return of capital be identical in all respects and form one class of shares with the New Ordinary Shares then in issue.

The passing by the Company of any special resolution for the cancellation of the Deferred Shares (whether or not for any valuable consideration) shall not constitute a variation, modification or abrogation of the rights attaching to the Deferred Shares and the Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with the Act without the sanction of the holders of the Deferred Shares.

**(vi) VARIATION OF CLASS RIGHTS**

Subject to situations dealt with above in any case where the rights attaching to any class of shares in the Company are proposed to be varied those rights shall only be varied with the consent in writing of the holders of three-quarters by nominal value or the issued shares of that class or with the sanction of an extraordinary resolution passed separately by the holders of the shares whose rights are proposed to be varied.

Such capital may be increased by ordinary resolution

7

**Private Company**

The Company is a private company within the meaning of section 4 of the Act and accordingly no Shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and the Company shall not allot (whether for cash or otherwise) any Shares in or debentures of the Company with a view to all or any of those Shares or debentures being offered for sale to the public.

8. **Registered Office**

The registered office of the Company shall be situated in England and Wales

**PART 2**

**DIRECTORS**

**DIRECTORS' POWERS AND RESPONSIBILITIES**

9. **Number of Directors**

The number of the Directors shall be determined by a written resolution of the Shareholders but unless and until so determined there shall be no maximum number of Directors and the minimum number of Directors shall be one.

10. **Directors' general authority**

Subject to these Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

11. **Parent company**

11.1 Whenever a company wherever incorporated (the "**Parent Company**") is the Holder of not less than 90 per cent of the Shares of the Company, the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles.

(d) the Parent Company may at any time and from time to time appoint any person to be a Director or remove from office any Director howsoever appointed, but so that in the case of a managing director his removal from office shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office;

(e) no securities or Shares may be issued or agreed to be issued or put under option without the consent of the Parent Company; and

(f) any or all powers of the Directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the Company from time to time prescribe.

11.2 Any such appointment, removal, consent or notice must be in writing, served on the Company and signed on behalf of the Parent Company by any two of its directors or by any one of its directors and its secretary or some other person duly authorised for the purpose

11.3 No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have been in any way restricted under this Article or as to whether any requisite consent of the Parent Company has been obtained and no obligations incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the

time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors.

**12 Directors may delegate**

12.1 The Directors may delegate any of the powers which are conferred on them under these Articles:

- (A) to such person or committee (whether or not being or including a Director);
- (B) by such means (including by power of attorney);
- (C) to such an extent;
- (D) in relation to such matters or territories, and
- (E) on such terms and conditions;

as they think fit.

12.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated

12.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions

**13 Committees**

13.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors

13.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

**14 Directors to take decisions collectively**

14.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a unanimous or majority decision at a meeting or a decision taken in accordance with Article 15

14.2 If the Company only has one Director, the general rule does not apply, and the Director may take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making, subject to compliance with Article 23

**15. Decisions taken otherwise than at a meeting**

15.1 A unanimous decision of the Directors is taken in accordance with this Article 15 when all Eligible Directors indicate to each other by any means that they share a common view on a matter.



15.2 Subject to Article 15.1, a decision of the Directors taken in accordance with this Article 15 shall take the form of a resolution in writing, copies of which have been signed by all or a majority of the Eligible Directors or to which all or a majority of the Eligible Directors have otherwise indicated agreement in writing, but if the decision is not unanimous this shall only apply if the text of the proposed decision has been previously sent to all the Directors (other than any Director proposing it) at least 48 hours before the resolution is signed. It is not necessary for all or such a majority of the Eligible Directors to sign the same copy of the resolution as long as the copies, when read together, have been signed by all or a majority of the Eligible Directors. Any Director may at any time propose a resolution in writing by sending a copy of it to all the other Directors.

15.3 A decision may not be taken in accordance with this Article 15 if the Eligible Directors would not have formed a quorum at such a meeting.

16. **Calling a Directors' meeting**

16.1 Any Director may call a Directors' meeting by sending notice of the meeting to all the other Directors or by authorising the Company secretary (if any) to send such notice to all the Directors.

16.2 Notice of any Directors' meeting must indicate:

- (A) its proposed date and time;
- (B) where it is to take place,
- (C) the proposed business of the meeting; and
- (D) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

16.3 Notice of a Directors' meeting must be sent to each Director whether or not he is within the United Kingdom, but need not be in writing.

16.4 Notice of a Directors' meeting need not be sent to Directors who waive their entitlement to notice of that meeting, by sending notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is sent after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

17. **Participation in Directors' meetings**

17.1 Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

- (A) the meeting has been called and takes place in accordance with these Articles, and
- (B) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

17.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

17.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

**18 Quorum for Directors' meetings**

18.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

18.2 The quorum for Directors' meetings may be fixed from time to time by an ordinary resolution but it must never be less than two, and unless otherwise fixed it is two unless there is for the time being only one Director, in which case, he shall have and may exercise all the powers and authorities over the affairs of the Company conferred on the Directors by these Articles. An alternate Director whose appointor is not participating shall be counted when determining whether there is a quorum, but if a Director or alternate Director participates also as an alternate Director for one or more other Directors he shall count as one Director for the purpose of determining whether there is a quorum.

18.3 If there are no Directors in office, any Shareholder may propose a written resolution (or instruct the company secretary, if any, to do so) for the purpose of appointing one or more Directors specified by that Shareholder and who are willing to act.

**19 Chairing of Directors' meetings**

19.1 The Directors may appoint a Director to chair their meetings either for a specified meeting or on a continuing basis

19.2 The person so appointed for the time being is known as the Chairman.

19.3 The Directors may appoint other Directors as deputy or assistant chairmen on a continuing basis to chair directors' meetings in the absence of a Chairman who was appointed on a continuing basis

19.4 Where the Chairman is appointed on a continuing basis or a deputy or assistant Chairman has been appointed the Directors may terminate the appointment of the Chairman or deputy or assistant Chairman at any time.

19.5 If a Chairman appointed on a continuing basis or the deputy or assistant Chairman is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair that meeting, but the Chairman previously appointed on a continuing basis and any deputy or assistant Chairman shall thereafter continue in office unless and until such office is terminated under Article 19.4.

**20 Voting at Directors' meetings**

20.1 Each Director participating in a Directors' meeting has one vote.

20.2 If the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting has a second or casting vote

21. **Conflicts of interest**

The Directors shall not have the powers contained in section 175(5) of the Act to authorise conflicts of interest

22 **Directors' interests**

22.1 A Director who is in any way directly or indirectly interested in a proposed or existing contract or arrangement with the Company shall declare the nature and extent of his interest in accordance with section 177 or sections 182 to 187 of the Act.

22.2 Subject to such disclosure, a Director who is interested as set out in Article 22.1 may nevertheless be counted as participating in the decision making process for quorum and voting purposes

23. **Records of decisions to be kept**

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

24 **Directors' discretion to make further rules**

Subject to these Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors

25 **Irregularities**

All decisions made and acts done by the Directors, or by any person acting as a Director or by any person or persons to whom authority has been delegated by a decision of one or more Directors or by a person or persons acting as such shall, notwithstanding that it shall afterwards be discovered that there was a defect in the appointment of any such person or in such delegation, 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 such irregularity had not occurred

## **DIRECTORS**

26 **Appointment of Directors**

26.1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director

(A) by ordinary resolution;

(B) by a notice in writing, specifying the person to be appointed, signed by or on behalf of Holders together entitled to a majority of the voting rights exercisable in respect of all the issued Shares of the Company, which is sent to the Company or tabled at a meeting of the Directors.

27. **Alternate Directors**

- 27.1 Any Director may at any time by notice in writing given to the Company, or tabled at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless of another Director or previously approved by the Directors, shall have effect only upon and subject to being so approved
- 27.2 The appointment of an alternate Director shall determine on the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor ceases to be a Director
- 27.3 An alternate Director shall (whether or not within the United Kingdom) be entitled to be sent notices of meetings of the Directors and of all meetings of committees of Directors of which his appointor is a member and shall be entitled to attend, speak and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director.
- 27.4 If an alternate Director shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative.
- 27.5 The execution by an alternate Director of any resolution in writing of the Directors shall be as effective as the execution by his appointor.
- 27.6 An alternate Director shall not (save as provided in this Article 27) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles, but he shall be an officer of the Company, he alone shall be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.
- 27.7 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent, so far as applicable, as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing sent to the Company from time to time direct.
- 27.8 Subject to this Article 27, every reference in these Articles to a Director shall, unless the context otherwise requires, include an alternate Director when he is acting on behalf of his appointor.

28 **Termination of a Director's appointment**

A Director ceases to be a Director as soon as

- 28.1 that Director ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law; or
- 28.2 a bankruptcy order is made against that Director, or

- 28.3 a composition is made with that Director's creditors generally in satisfaction of that Director's debts; or
- 28.4 a registered medical practitioner who is treating that Director gives a written opinion to the Company stating that that Director has become physically or mentally incapable of acting as a Director and may remain so for more than three months, or
- 28.5 by reason of that Director's mental health, a court makes an order which wholly or partly prevents that Director from personally exercising any powers or rights which that person would otherwise have, or
- 28.6 notification is received by the Company from that Director that he is resigning from office, and such resignation has taken effect in accordance with its terms; or
- 28.7 that Director is removed from office by notice in writing signed by or on behalf of Shareholders together entitled to a majority of the voting rights exercisable on a poll in respect of all the issued Shares of the Company, which is sent to the Company or tabled at a meeting of the Directors (which removal shall be deemed to be the act of the Company), or
- 28.8 where that Director holds an appointment to an executive office with the Company or any subsidiary or holding company of the Company, that appointment is terminated or otherwise determines in which case (unless otherwise resolved by the Directors) that Director ceases to be a Director at the time the appointment terminates or otherwise determines, which shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of contract or service or otherwise between that Director and the Company.

29 **Directors' remuneration**

- 29.1 Directors may undertake any services for the Company that the Directors decide.
- 29.2 Directors are entitled to such remuneration as the Directors determine:
  - (A) for their services to the Company as Directors; and
  - (B) for any other service or executive office which they undertake for the Company.
- 29.3 Subject to these Articles, a Director's remuneration may
  - (A) take any form, and
  - (B) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 29.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day
- 29.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees

of the Company's subsidiaries or of any other body corporate in which the Company is interested.

30. **Directors' expenses**

30.1 The Company may pay, in accordance with decisions of the Directors, any reasonable expenses which the Directors properly incur in connection with their attendance at.

(A) meetings of Directors or committees of Directors,

(B) general meetings, or

(C) separate meetings of the Holders of any class of Shares or of debentures of the Company;

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

**PART 3**

**SHARES AND DISTRIBUTIONS**

**SHARES**

31. **All Shares to be fully paid up**

31.1 No Share is to be issued unless there has been paid on it the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

31.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum, where the nominal value and any premium shall be paid up when required by the Directors

32 **Powers to issue different classes of Share**

32.1 Subject to compliance with Article 6, and without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution.

32.2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the Holder, and the Directors may determine the terms, conditions and manner of redemption of any such Shares.

33. **Directors' powers to allot Shares**

The Directors shall not have power to allot or issue or grant any right to subscribe for or to convert into any Shares of the Company without an authority to do so conferred by ordinary resolution and section 560 of the Act shall not apply.

34. **No pre-emption rights on Share issues**

The Directors shall not be required to have regard to section 561 of the Act which section shall be excluded from applying to the Company.

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35. **Company not bound by less than absolute interests**

Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law, the Company is not in any way to be bound by or recognise any interest in a Share other than the Holder's absolute ownership of it and all the rights attaching to it.

36 **Share certificates**

36.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds

36.2 Every certificate must specify

- (A) in respect of how many Shares, of what class, it is issued,
- (B) the nominal value of those Shares;
- (C) that the Shares are fully paid; and
- (D) any distinguishing numbers assigned to them

36.3 No certificate may be issued in respect of Shares of more than one class

36.4 If more than one person holds a Share, only one certificate may be issued in respect of it.

36.5 Certificates must:

- (A) have affixed to them the Company's common seal; or
- (B) be otherwise executed in accordance with the Act.

37 **Replacement Share certificates**

37.1 If a certificate issued in respect of a Shareholder's Shares is:

- (A) damaged or defaced, or
- (B) said to be lost, stolen or destroyed,

that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares

37.2 A Shareholder exercising the right to be issued with such a replacement certificate:

- (A) may at the same time exercise the right to be issued with a single certificate or separate certificates;
- (B) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
- (C) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

38     **Share transfers**

- 38.1   Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor
- 38.2   No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.
- 38.3   The Company may retain any instrument of transfer which is registered
- 38.4   The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it
- 38.5   The Directors may in their absolute discretion refuse to register the transfer of a Share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal giving reasons for the refusal as specified by the Act unless they suspect that the proposed transfer may be fraudulent
- 38.6   No Share shall be transferred to any infant, bankrupt or person with mental disorder.

39.   **Variation of rights**

If at any time the Share capital is divided into different classes of Shares, the rights attached to any class may, whether or not the Company is being wound up, be modified, varied or abrogated with the consent in writing of the Holder or Holders of not less than three fourths in nominal value of the issued Shares of that class.

40    **Transmission of Shares**

- 40.1   If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share.
- 40.2   A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require:
- (A)   may choose either to become the Holder of those Shares or to have them transferred to another person subject to Article 38, and
- (B)   pending any transfer of the Shares to another person, has the same rights as the Holder had, subject to Article 40.3
- 40.3   Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the Holder's death or bankruptcy or otherwise, unless they become the Holders of those Shares.

41.   **Exercise of Transmitttees' rights**

- 41.1   Transmitttees who wish to become the Holders of Shares to which they have become entitled must send to the Company notice in writing of that wish



41.2 If the Transmittree wishes to have a Share transferred to another person, the Transmittree must execute an instrument of transfer in respect of it.

41.3 Any transfer made or executed under this Article 41 is to be treated as if it were made or executed by the person from whom the Transmittree has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred

42. **Transmittees bound by prior notices**

If a notice is sent to a Shareholder in respect of Shares and a Transmittree is entitled to those Shares, the Transmittree is bound by the notice if it was sent to the Shareholder before the Transmittree's name has been entered in the register of members

43 **Purchase of own Shares**

The Company may purchase its own Shares in accordance with the Act and may make a payment in respect of such a purchase otherwise than out of its distributable profits or the proceeds of a fresh issue of Shares.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

44 **Procedure for declaring dividends**

44.1 The Company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends.

44.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.

44.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights

44.4 Unless the Shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which Shares are issued specify otherwise, it must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it

44.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

44.6 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

44.7 If the Directors act in good faith, they do 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 Shares with deferred or non-preferred rights

45. **Payment of dividends and other distributions**

45.1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:

- (A) transfer to a bank or building society account specified by the Distribution Recipient either in writing sent to the Company or as the Directors may otherwise decide;
  - (B) sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a Holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing sent to the Company or as the Directors may otherwise decide,
  - (C) sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified either in writing sent to the Company or as the Directors may otherwise decide, or
  - (D) any other means of payment as the Directors agree with the Distribution Recipient either in writing or by such other means as the Directors decide
- 45 2 In the Articles, "the Distribution Recipient" means, in respect of a Share in respect of which a dividend or other sum is payable
- (A) the Holder of the Share; or
  - (B) if the Share has two or more joint Holders, whichever of them is named first in the register of members, or
  - (C) if the Holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmittree.
46. **No interest on distributions**
- The Company must not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:
- 46.1 the terms on which the Share was issued, or
  - 46.2 the provisions of another agreement between the Holder of that Share and the Company
47. **Unclaimed distributions**
- 47.1 All dividends or other sums which are
    - (A) payable in respect of Shares; and
    - (B) unclaimed after having been declared or become payable,
 may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed
  - 47.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.
  - 47 3 If:

(A) twelve years have passed from the date on which a dividend or other sum became due for payment; and

(B) the Distribution Recipient has not claimed it,

the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company

48. **Non-cash distributions**

48 1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any Company).

48.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

(A) fixing the value of any assets,

(B) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

(C) vesting any assets in trustees.

## **CAPITALISATION OF PROFITS**

49. **Authority to capitalise and appropriation of capitalised sums**

49 1 The Directors may, if they are so authorised by an ordinary resolution:

(A) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's Share premium account or capital redemption reserve, and

(B) appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.

49 2 Capitalised sums must be applied:

(A) on behalf of the persons entitled; and

(B) in the same proportions as a dividend would have been distributed to them.

49 3 Any capitalised sum may be applied in paying up new Shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct

49.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct

49.5 Subject to these Articles the Directors may:

- (A) apply capitalised sums in accordance with Articles 49.3 or 49.4 partly in one way and partly in another;
- (B) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and
- (C) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article

#### **PART 4**

##### **DECISION-MAKING BY SHAREHOLDERS**

50 **No general meetings unless required by law**

50.1 Except where required by law, the Company shall not hold general meetings or class meetings of any class of Share and all decisions of the Shareholders or the Holders of any class of Share shall be made by the passing of a written resolution passed in accordance with the Act, subject to Article 39

50.2 For the purposes of section 297 of the Act, a proposed written resolution of the Shareholders shall lapse if not passed by the end of such period after the circulation date of such resolution as is determined by the Directors in respect of that resolution or, if no such period is so determined, the resolution shall lapse at the end of the period of 14 days beginning with its circulation date

#### **PART 5**

##### **ADMINISTRATIVE ARRANGEMENTS**

51 **Means of communication to be used**

51.1 Subject to these Articles, anything sent by or to the Company under these Articles may be sent in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company. Anything sent by the Company shall be deemed to have been received by the intended recipient at the time determined in accordance with section 1147 of the Act. Any notice or document to be sent to the Company shall be sent to its registered office for the time being or to such other place or electronic or other address as the Company may specify in any notice or document sent by it which gives rise to the notice or document being sent to the Company

51.2 Any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may be sent or supplied by the means and to such

electronic or other address that Director has specified for the time being, either generally or in relation to any particular notice or document

- 51 3 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours

52 **Company seals**

The Company shall not have a seal

53 **Provision for employees on cessation of business**

In accordance with section 247 of the Act, the Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries, other than a Director or former Director or shadow Director, in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary In this Article 53 the expression "subsidiary" shall be limited to a subsidiary of the Company as defined by section 1159 of the Act

**DIRECTORS' INDEMNITY, INSURANCE AND BENEFITS**

54. **Indemnity**

- 54 1 Without prejudice to any indemnity to which any person referred to in this Article 54 may otherwise be entitled, every present and former Director, Alternate Director, Secretary or other officer of the Company (excluding any past, present or former Auditors) (an "**Indemnified Person**") shall be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him in the execution and discharge of his duties to the Company and any "**Associated Company**" of the Company (as defined by the Act for these purposes), including any liability incurred by any Indemnified Person in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to be done or omitted by him as an officer or employee of the Company or an Associated Company provided that no such indemnity shall extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person or the obtaining by such Indemnified Person of any personal profit or advantage to which such Indemnified Person was not entitled and no Indemnified Person shall be entitled to be indemnified for

- (A) any liability incurred by him to the Company or any Associated Company of the Company;
- (B) any fine imposed in any criminal proceedings,
- (C) any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising,
- (D) any amount for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final,

- (E) any amount for which he has become liable in defending any civil proceedings brought by the Company or any Associated Company of the Company in which a final judgment has been given against him, and
  - (F) any amount for which he has become liable in connection with any application under sections 144(3) or (4) or 727 of the Companies Act 1985 or sections 661(3) or (4) or 1157 of the Act in which the court refuses to grant him relief and such refusal has become final
- 54.2 Without prejudice to any indemnity to which any person referred to in this Article 54 may otherwise be entitled, every Indemnified Person shall be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him in connection with the Company's activities as a trustee of an occupational pension scheme (as defined by section 750(5) of the Finance Act 2004) which is established under a trust provided that no such indemnity shall extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person or the obtaining by an Indemnified Person of any personal profit or advantage to which such Indemnified Person was not entitled and no Indemnified Person shall be entitled to be indemnified for
- (A) any fine imposed in any criminal proceedings,
  - (B) any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising, and
  - (C) any amount for which he has become liable in defending any criminal proceedings in which he is convicted and the conviction has become final.
- 54.3 The Company may provide funds (either directly or indirectly) to any Indemnified Person to meet expenditure incurred or to be incurred by him in any proceedings (whether civil or criminal) brought by any person or in relation to any investigation or action to be taken by a regulatory authority which relates to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company or any Associated Company of the Company in respect of which it is alleged that the Indemnified Person has been guilty of negligence, default, breach of duty or breach of trust, provided that he will be obliged to repay any such amount no later than
- (A) in the event that he is convicted in proceedings, the date when the conviction becomes final;
  - (B) in the event that judgment is given against him in proceedings, the date when the judgment becomes final (except that such amount need not be repaid to the extent that such expenditure is recoverable under this Article 54 or under any other valid indemnity given to him by the Company); or
  - (C) in the event that the court refuses to grant him relief on any application under sections 144(3) or (4) or 727 of the Companies Act 1985 or sections 661(3) or (4) or 1157 of the Act, the date when the refusal becomes final

55     **Insurance**

55 1     Subject to the provisions of the Act, the Directors shall have power to purchase and maintain insurance at the expense of the Company for or for the benefit of any persons who are or were at any time:

(A)     Directors, officers or employees of the Company or of any other entity which is its parent undertaking, or in which the Company or such parent undertaking has any interest whether direct or indirect, or which is in any way allied to or associated with the Company or such parent undertaking, or of any subsidiary of the Company or of such other entity; or

(B)     trustees of any pension fund in which employees of the Company or of any other such entity or subsidiary are interested.

55 2     Such insurance may include (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported exercise, execution and/or discharge of their powers or duties and/or otherwise in relation to their duties, powers of offices in relation to the Company or any other such entity, subsidiary or pension fund

56     **Pensions and superannuation**

The Directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons (including Directors and other officers) who are or were at any time in the employment or service of the Company, or of any undertaking which is or was a subsidiary of the Company or allied to or associated with the Company or any such subsidiary, or of any of the predecessors in business of the Company or of any such other undertaking and the spouses, widows, widowers, families and dependants of any such persons and make payments to, for or towards the insurance of or otherwise provide benefits for any such persons

57.     **Directors not liable to account**

A Director or former Director shall not be accountable to the Company or the Shareholders for any benefit conferred under or pursuant to these Articles and the receipt of any such benefit shall not disqualify any person from being or becoming a Director.