

The Companies Acts 1985 and 1989

COMPANY LIMITED BY SHARES

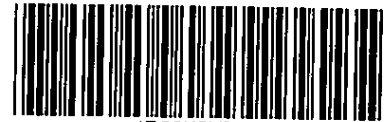
ARTICLES OF ASSOCIATION

of

MARKIT VALUATIONS LIMITED

(formerly Totem Market Valuations Limited)

THURSDAY



R33K7XB4
RM 13/03/2014 #29
COMPANIES HOUSE

(Adopted by special resolution passed on 5 November 2003 and amended on 26 January 2010 by a special resolution passed on 10 December 2009 and amended by a special resolution passed on 06 March 2014)

1 PRELIMINARY

- 1 1 The regulations contained in Table A in the schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) Amendment Regulations 1985 ("**Table A**") shall apply to the Company save in so far as they are varied or excluded by or are inconsistent with these Articles, and such Regulations (save as excluded or varied or inconsistent with these Articles) and these Articles shall be the regulations of the Company
- 1 2 Regulations 10, 17, 24, 26, 29 to 31 (inclusive), 33, 40, 41, 44, 50, 64, 65, 67, 73 to 81 (inclusive), 84, 89, 94 to 98 (inclusive), 101, 113 and 118 of Table A shall not apply to the Company

2 INTERPRETATION

- 2 1 In these Articles the following terms will have the following meanings

"Permitted Transferee" means

- (a) in relation to a holder of any shares who is an individual or is otherwise an Executive
- (i) members of the Family of such holder (if an individual),
 - (ii) the trustees of the Family Trusts of such individual holder,
 - (iii) the trustees of a pension fund or personal pension plan (including, without limitation, a funded unapproved benefit scheme) established principally for the benefit of the holder, or
 - (iv) a company or other legal entity controlled by such holder or associated with them and/or the members of the Family of an individual holder and/or the trustees of Family Trusts of an individual holder, or
 - (v) any person who is a holder of shares of the same class as a holder who wishes to transfer shares to such person,

- (b) where such holder of shares is a partnership or a nominee, trustee or other person holding the shares concerned directly or indirectly for the benefit of a partnership
 - (i) all or any part of such partnership or to another nominee, trustee or other person holding the shares concerned directly or indirectly for the benefit of all or any part of such partnership, or
 - (ii) any person who is, or who is a nominee, trustee or other person who holds or will hold the shares concerned directly or indirectly for the benefit of, a successor to or transferee of all or a substantial part of the business of such partnership
- (c) where such holder of shares is the trustee of an employee benefit trust
 - (i) a transfer to any person in satisfaction of his entitlement to options pursuant to any option agreement between that person and the Company
- (d) where such holder has received shares in satisfaction of his entitlement to options pursuant to any option agreement between that person and the Company
 - (i) a transfer to the trustee(s) of such employee benefit trust

"Executive" means an individual who is employed by the Company (or any other company which is a member of the same group of companies as the Company) under the terms of an agreement between the relevant company and that individual

"Family" means, in relation to a holder of shares who is an individual, the spouse of that individual and the adult children and adult step children of that individual

"Family Trust" means, in relation to an individual holder of shares, a trust set up principally for the benefit of one or more of the individual, his spouse, children or step children and of which the individual is the settlor

2 2 Unless the context otherwise requires, references in these Articles to statutory provisions shall be construed as referring to those provisions as amended or re-enacted and from time to time in force

2 3 The last sentence of Regulation 1 of Table A is amended by deleting the words "but excluding any statutory modification thereof not in force when these regulations become binding on the Company"

3 **SHARE CAPITAL**

3 1 Regulation 2 of Table A is amended by replacing "ordinary resolution" with "special resolution"

3 2 The authorised share capital of the Company at the date of adoption of these Articles is £1,044 15 divided into 77,370 A Ordinary shares of 1 p each (the "A Shares"), 17,600 B Ordinary Shares of 1p each (the "B Shares"), 5,030 C Ordinary Shares of 1p each (the "C Shares") and 4415 D Ordinary Shares of 1p each (the "D Shares") all of which will rank pari passu in all respects save that

3 2 1 the holders of the A Shares from time to time shall have the right to appoint or remove up to three directors of the Company,

3 2 2 the holders of the B Shares from time to time shall have no right to appoint or remove any director of the Company,

- 3 2 3 the holders of the C Shares from time to time shall have no right to appoint any director, and
- 3 2 4 the holders of the D Shares from time to time shall have the right to appoint or remove one director of the Company for so long as they hold five per cent or more of the total issued share capital of the Company
- 3 3 Where shares of any class are, in accordance with these articles, issued or transferred or otherwise pass to a member holding shares of another class, they shall automatically convert to shares of that latter class
- 3 4 Unless otherwise determined by an ordinary resolution of each of
- (a) the holders of the A Shares as a class,
 - (b) the holders of the B Shares as a class,
 - (c) the holders of the C Shares as a class, and
 - (d) the holders of the D Shares as a class,
- where any shares of such class are in issue, and save in relation to the issue of shares pursuant to Article 3 7 below, no unissued shares shall be allotted otherwise than on the basis that the number of shares to be offered to the holders of each class of shares shall be in the proportion, as nearly as circumstances will admit, that the number of issued shares in that class immediately prior to such offer bears to the aggregate number of the entire issued share capital in the Company immediately prior to such offer, and such shares shall be allotted to each shareholder at the same price and on the same terms as to the date for payment
- 3 5 Unless otherwise determined by special resolution, and save in relation to the issue of shares pursuant to Article 3 7 below, all unissued shares shall, before allotment be offered to the holders of shares of the class proposed to be issued in proportion as nearly as the circumstances will admit to the number of shares of that class currently held by the recipients of such offer The offer shall be made by notice specifying
- 3 5 1 the number of shares offered,
 - 3 5 2 the price at which they are offered, and
 - 3 5 3 a time (being not less than 28 days) within which the offer, if not accepted, will be deemed to have been declined
- 3 6 At the expiration of the time specified in the notice referred to in Article 3 5 or on the receipt of a notice from the person to whom the offer is made that he declines to accept the shares offered, whichever is the earlier, the balance of any shares offered to the holder of shares of a class but not so accepted shall be offered for subscription to the holders of shares of the other classes
- 3 7 For the purposes of section 80 of the Act, the directors shall have general and unconditional authority to allot up to 3,044 A Shares pursuant to a bona fide plan or plans or arrangement for the incentivisation of employees and/or directors of the Company or its subsidiaries (such figure to include the 1,580 A Shares which were allotted and issued to Charwell Trustees Limited acting as Trustee of the Totem Market Valuations Limited Employee Benefit Trust on 25 October 2001) Subject to section 80(7) of the Act this authority shall expire five years from the date of adoption of these Articles unless renewed, varied or revoked by ordinary resolution of the Company in general meeting at any time

3 8 The directors are empowered pursuant to section 95 of the Act to allot equity securities for cash pursuant to the authority conferred by Article 3 7 as if section 89(1) of the Act did not apply to such allotment

3 9 The Company may at any time and from time to time prior to the expiry of the authority conferred by Article 3 7 or any renewal of it make any offer or agreement which would or might require relevant securities to be allotted after such expiry

3 10 In this Article, "**relevant securities**" has the meaning given in section 80(2) of the Act and references to the allotment of relevant securities are construed in the same manner as in that section

4 **SHARE CERTIFICATES**

4 1 Regulation 6 of Table A is amended by adding after the words "Every certificate shall be sealed with the seal" the words "or executed in such other manner as the directors authorise, having regard to the Act"

5 **LIENS**

5 1 In Regulation 9 of Table A the words "in such manner as the directors determine" are omitted

5 2 To give effect to a sale pursuant to Regulation 9 of Table A the directors shall authorise some person to transfer the shares sold and all the provisions of Articles 7 to 9 shall apply to such transfer as if the person so authorised were the registered holder of such shares save that the person so authorised shall not be obliged to deliver up the certificates for the shares sold and shall not be entitled to any part of the purchase moneys The title of the transferee of shares sold pursuant to Regulation 9 of Table A shall not be affected by an irregularity in or invalidity of the proceedings in reference to the sale The transferee shall be registered as the holder of the shares comprised in the transfer (whether or not the share certificate has been produced) and shall not be bound to see to the application of the purchase monies

6 **FORFEITURE OF SHARES**

6 1 Regulation 20 of Table A is amended as follows

6 1 1 after the words "Subject to the provisions of the Act" the following words are added "and subject to Articles 7 and 8 of the Articles", and

6 1 2 by adding the following sentence at the end

"The directors may receive the consideration given for the share on its disposal and, if the share is in registered form, may register the transferee as the holder "

7 **TRANSFER OF SHARES**

7 1 1 Every holder of any class of share may transfer all or any of such shares to a Permitted Transferee and any such transfer shall be registered without the previous sanction of the Directors

7 1 2 In the event that a member has transferred shares to a Permitted Transferee pursuant to a relationship specified in Articles 2 1 (a)(i), (ii), (iii) or (iv) or Article 2 1 (b) which relationship subsequently ceases, then the Permitted Transferee shall, unless all other members of the Company unanimously agree otherwise, transfer all of the shares in question back to the original transferor or to some other person, firm or company which falls

within the definition of Permitted Transferee. In the event that such member fails to give effect to the provisions of this Article 7.1.2 within 14 days of the relationship ceasing, the member shall be deemed to have served a transfer notice in accordance with the following provisions of this Article 7.

- 7.2 Save as provided by Article 7.1 and Article 9.2, no share and no interest in any share shall be transferred to any person so long as any member or any person selected by the directors is willing to purchase the same pursuant to the following provisions and any transfer not made pursuant to such provisions shall be void and of no effect and the directors shall decline to sanction the registration of it.
- 7.3 Every holder of any class of shares who wishes to transfer (the "**Vendor**") any share or shares of the Company or any interest in any share or shares in the Company shall give notice in writing (a "**Transfer Notice**") to the Company offering to sell all or part of the shares held by him (the "**Shares**"). The Transfer Notice will specify
- 7.3.1 the price per share at which he proposes to transfer the Shares or an interest in the Shares (the "**Transfer Price**"), and
- 7.3.2 the name of the person to whom he wishes to transfer the Shares or an interest in the Shares (the "**Proposing Transferee**").
- 7.4 The Transfer Notice shall constitute the Company the Vendor's agent for the sale of the Shares at the Transfer Price and on the terms set out in this Article. A Transfer Notice once given or deemed to be given is not capable of being withdrawn.
- 7.5 The directors shall within seven days after service on the Company of the Transfer Notice in question or, if later, within 7 days after the Transfer Price has been determined, offer the Shares for sale at the Transfer Price to the other members of the Company in proportion to the number of shares held by them respectively or as near to that as circumstances admit ("**Quota Offer**"). The Quota Offer shall
- 7.5.1 specify the number of Shares,
- 7.5.2 specify the number offered to the offeree,
- 7.5.3 specify the Transfer Price,
- 7.5.4 specify the Proposed Transferee,
- 7.5.5 inform the offeree that he may offer to purchase such additional number of Shares above his Quota Offer (not exceeding the number of Shares less the number of shares specified in his Quota Offer) as he may desire ("**Excess Shares**"), and
- 7.5.6 specify the time (not more than eighty-four days after service on the Company of the Transfer Notice in question) within which the Quota Offer is open for acceptance and if not so accepted shall be deemed to be declined.
- 7.6 An offeree may accept the Quota Offer for some part or all of the shares specified in it.
- 7.7 Any Shares not accepted under the Quota Offers shall be allocated by the directors amongst the offerees applying for Excess Shares as nearly as may be in proportion to the number of shares held by them respectively (provided always that no offeree shall have allocated to him a number of Shares greater than he has offered to purchase). Any Excess Shares not so allocated shall (subject as aforesaid) be allocated amongst the offerees applying for Excess Shares in proportion to the number of Excess Shares applied for. Such allocations shall be notified to offerees applying for Excess Shares not later than seven

days after the last day for acceptance of the Quota Offer and such notification shall constitute acceptance of the offer for Excess Shares

7 8 Fractions of shares that would otherwise not be allocated shall be consolidated and allocated by drawing lots

7 9 If the directors have found a purchaser for any of the shares, they shall not later than twenty-one days after the last day for acceptance of the Quota Offer give notice (a "**Purchase Notice**") to the Vendor specifying

7 9 1 the number of Shares for which it has found a purchaser (the "**Purchaser**"), and

7 9 2 the name of the Purchaser and the number of Shares to be purchased by it

7 10 If the directors give a Purchase Notice, the Vendor shall be bound on payment of the Transfer Price to transfer the Shares to the Purchaser and to deliver up his certificate for the Shares. If such certificate includes any Shares which he has not become bound to transfer, the Company shall issue to him a balance certificate for such Shares

7 11 If in any case the Vendor, after having become bound, makes default in transferring the Shares the Company may

7 11 1 receive the purchase money,

7 11 2 authorise some person to transfer the Shares to the Purchaser,

7 11 3 cause the name of the Purchaser to be entered on the register as the holder of the Shares, and

7 11 4 hold the purchase money in trust for the Vendor, although it is not obliged to earn or pay interest on it

The receipt of the Company for the purchase money shall be a good discharge to the Purchaser.

7 12 If

7 12 1 the Company has not made a Quota Offer or Offers within the time specified in Article 7 4, or

7 12 2 the Company has not within 21 days after the last day for acceptance of the Quota Offer given a Purchase Notice to the Vendor in respect of all the Shares,

the Vendor may at any time within three months after the expiration of the relevant period subject to any lien which the Company may have, sell and transfer the Shares in respect of which he has not been given a Purchase Notice to the Proposed Transferee and at any price, not being less than the Transfer Price

7 13 If the directors are not satisfied that the Vendor has transferred the Shares to the Proposed Transferee in pursuance of a bona fide sale for a price which is not less than the Transfer Price without any deduction, rebate or allowance whatever, they shall refuse to register the transfer or instrument concerned

7 14 References in Article 7 to a Quota Offer shall be construed as if the same were a notice required by these Articles to be given by the Company to the members

7 15 For the purpose of ensuring that a transfer of shares is in accordance with the provisions of this Article 7 or for the purpose of ascertaining when a Transfer Notice is deemed to have been given under these Articles, the directors may require an officer of any corporate member or the liquidator of any corporate member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the directors may think fit regarding any matter they deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the directors within a reasonable time after such request or if any such information or evidence discloses that a Transfer Notice ought to be given in respect of any shares, the directors shall refuse to register the transfer in question and shall be entitled to serve a Transfer Notice in respect of the shares concerned and the provisions of this Article shall take effect accordingly.

7 16 For the purposes of this Article 7 the expression the "**Transfer Price**" shall mean

7 16 1 the price per share (if any) specified in the Transfer Notice, or

7 16 2 (if no such price is so specified) the fair value per share

7 16 2 1 as the Vendor and the directors shall agree, or

7 16 2 2 failing agreement, by a share valuation expert agreed on between them or, if they shall be unwilling or unable to so agree, an independent firm of share valuation experts appointed (upon the application of any of them) by the President for the time being of the Society of Share and Business Valuers shall state in writing to be in their opinion the fair selling value of the Sale Shares on the open market having regard to the fair value of the business of the Company as a going concern and on the basis of an arm's length transaction as between a willing vendor and a willing purchaser without discounting for any minority or other interest but having regard to the effect of the departure of the relevant transferor(s) from the management of the Company (if applicable). No account shall be taken of the proportion of the issued share capital represented by the Shares.

The determination of the aforementioned valuers shall be final and binding on all concerned. The cost of obtaining the certificate of the valuers shall be borne as to one-half by the Vendor and as to the other half by the Purchaser (or, if more than one, by the Purchasers equally). For this purpose the valuers shall be given by the directors, and shall take account of, all information which a prudent prospective purchaser of the entire issued share capital of the Company might reasonably require if such purchaser were proposing to purchase it from a willing vendor by private treaty and at arm's length.

TRANSFER RESTRICTIONS

8 Save in accordance with Article 7 and Article 9 no transfer of any share in the capital of the Company shall be made or registered without the previous sanction of the directors who may without assigning any reason decline to give any such sanction.

9 1 Subject to Article 10, the restrictions on transfer contained in Article 7 and Article 8 shall not apply to any instrument of transfer deposited at the registered office of the Company together with the consent in writing of the members of the Company holding at least 90 per cent in nominal value of the issued share capital of the Company to such transfer being registered.

9 2 Notwithstanding anything contained in these Articles (including articles 7, 8 and 10),

(a) any pre-emption rights conferred on existing members by these Articles or otherwise shall not apply to, and

(b) the directors shall not decline to register, nor suspend registration of, any transfers of shares where such transfer is

- (i) in favour of any bank or financial institution (or any nominee or nominees of such a bank or financial institution) to whom such shares are being transferred by way of security, or
- (ii) duly executed by any such bank or financial institution (or any such nominee or nominees) to whom such shares (including any further shares in the Company acquired by reason of its holding of such shares) shall have been transferred as aforesaid, pursuant to the power of sale under such security,

and a certificate by any official of such bank or institution that the shares are or are to be subject to such security and the transfer is executed in accordance with the provisions of this Article shall be conclusive evidence of such facts

10 DRAG ALONG/TAG ALONG RIGHTS

10 1 No sale or transfer shall be made or registered if the same would result in a person or persons acting in concert who are not shareholders in the Company at the date of adopting these Articles ("Purchasing Group") holding or increasing their shareholding in the Company to 60 per cent or more of the ordinary Shares, unless before the sale is made or the transfer is lodged for registration, the Purchasing Group has made a written offer, which shall have remained open for at least 21 days, to purchase all the ordinary shares in issue immediately before such sale or transfer at the Third Party Price

10 2 For the purposes of this Article 10, the expression "**Third Party Price**" shall mean the price per ordinary share which has been offered for each ordinary share whose proposed transfer has led to the offer in respect of the same. If the consideration is or includes elements other than cash such element shall be given a Cash Equivalent value in determining the Third Party Price. For the purposes of this Article 10, the expression "**Cash Equivalent**" shall mean

- (a) where the consideration comprises listed securities, the average of the middle market prices at which transactions took place over the five dealing days prior to the relevant share sale,
- (b) where the consideration comprises loan notes, loan stock or other debt instruments guaranteed unconditionally by an Authorised Bank (as defined by the Banking Act 1987) their face value (where the rate of interest is at least equivalent to the three month London Interbank Bid Rate) and, if less, it shall be discounted by reference to the discount rate implied in the flow of money from a gilt of equivalent maturity,
- (c) where the consideration comprises unlisted securities or other instruments not guaranteed (as defined above), such amount as the members shall agree to be the value of the same,
- (d) where the consideration comprises future fixed payments, such amount as the members shall agree to be the present value of such payments,

In the event of dispute as to the value of the Cash Equivalent the matter shall be referred for final determination to a share valuation expert agreed on by the shareholders who dispute such value or, if they shall be unwilling or unable to so agree, an independent firm of share valuation experts appointed (upon the application of any of them) by the President for the time being of the Society of Share and Business Valuers (whose costs and the costs of whose selection by such President shall be borne as to one-half by the sellers of ordinary shares who dispute such value and as to the other half by the Purchasing Group) who shall act as experts (and not as arbitrators) in connection with the

giving of any determination or decision which is referred to them which (save in the case of manifest error) shall be binding on the shareholders,

- 10 3 If transfers under Article 10 result in members of the Purchasing Group holding or increasing their shareholding to more than 80 per cent of the ordinary shares, the members of the Purchasing Group may by written notice to the Company served within 15 days after the last of such transfers require the Company as agent for the Purchasing Group to serve notices (each a "**Compulsory Purchase Notice**") on each of the other shareholders ("**Minority Shareholders**") requiring them to sell their shares to one or more persons identified as members of the Purchasing Group at the Third Party Price (provided that if the Third Party Price is based on consideration paid or agreed to be paid pursuant to a transaction between persons acting in concert the consideration payable shall, if higher, be the fair market value determined in accordance with the terms of clause 7 16 2 2 above) The Company shall serve the Compulsory Purchase Notices forthwith and for 28 days from the service of the Compulsory Purchase Notices the Minority Shareholders shall not be entitled to transfer their ordinary shares to anyone except the Purchasing Group or persons identified by them
- 10 4 The Purchasing Group shall complete the purchase of all the ordinary shares in respect of which a Compulsory Purchase Notice has been given at the same time and, in any event, no later than 21 days after the date of the service of such Compulsory Purchase Notices The consideration shall be payable in full without any set off Any transfer pursuant to a Compulsory Purchase Notice shall not require the proposing transferor to give a Purchase Notice The directors shall not register any transfer, and no member of the Purchasing Group shall be entitled to exercise or direct the exercise of any rights in respect of any ordinary shares to be transferred pursuant to this Article 10, until in each case the member of the Purchasing Group has fulfilled all his obligations pursuant to this Article 10 4
- 10 5 If on the expiration of 28 days after the service of the Compulsory Purchase Notices a Minority Shareholder has not transferred his ordinary shares to any member of the Purchasing Group against payment of the price for them, the Company may authorise some person to execute and deliver on his behalf any necessary transfer in favour of the relevant member(s) of the Purchasing Group and the Company shall receive the consideration in respect of such ordinary shares and shall (subject to the transfer being duly stamped) cause the name of the relevant member(s) of the Purchasing Group to be entered into the register of members of the Company as the holder of the relevant ordinary shares The Company shall hold the consideration in trust for the Minority Shareholder but shall not be bound to earn or pay interest on it The receipt of the Company for the consideration shall be a good receipt for the price of the relevant Shares, but the Purchasing Group shall not be discharged from procuring that the Company applies the money in payment to the Minority Shareholder against delivery by the Minority Shareholder of the certificate in respect of the ordinary shares or an indemnity in respect of the same After the name of the member of the Purchasing Group has been entered in the register of members of the Company in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person

11 TRANSMISSION OF SHARES AND DEEMED TRANSFERS

- 11 1 In this Article 11 a "**Relevant Event**" means

11 1 1 in relation to a member being an individual

11 1 1 1 such member being adjudicated bankrupt,

11 1 1 2 such member dying (save where the member is a Permitted Transferee, in which case the provisions of article 7 1 2 shall apply), or

- 11 1 1 3 an order being made in respect of such member by a court claiming jurisdiction for that purpose on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or receiver or other person (called by whatever name) to exercise his powers with respect to his property,
 - 11 1 2 a member making any voluntary arrangement or composition with his or its creditors,
 - 11.1 3 in relation to a member being a body corporate
 - 11 1 3 1 a receiver, manager, administrative receiver or administrator being appointed of such member or over all or any part of its undertaking or assets,
 - 11 1 3 2 such member entering into liquidation, or
 - 11 1 3 3 such member ceasing to be controlled (as defined by section 840 of the Income and Corporation Taxes Act 1988) by the persons who controlled such member on the later of the date it became a member of the Company and the date of adoption of these Articles,
 - 11 1 4 in relation to a member being an Executive that member ceasing to be employed by the Company (except where the circumstances specified in Article 11 4 apply) and in this article 11 1 4 the expression "member" shall include a Permitted Transferee of shares of the Company whose shares were transferred to it by an Executive who subsequently ceases to be employed by the Company
- 11 2 On the happening of a Relevant Event the member in question shall be deemed to have immediately given a Transfer Notice in respect of all the shares that are registered in his or its name at that time
- 11 3 If the Relevant Event is the death or bankruptcy of a member and either
 - 11 3 1 the Company has not made a Quota Offer within the period laid down in Article 7 4, or
 - 11 3 2 the Company has not within 21 days after the last day for acceptance of the Quota Offer given a Purchase Notice in respect of all the Shares,

the personal representatives or trustee in bankruptcy of the member in question may elect at any time before the shares are sold by them to be registered themselves as the holders of any shares in respect of which a Purchase Notice is not given
- 11 4 For the purposes of Articles 11 5 and 11 6 the expression "Bad Leaver" means a person whose employment with the Company (or any member of the same group of companies as the Company) is terminated as a result of that person's gross misconduct or who voluntarily gives notice to terminate his employment or who is dismissed without notice in accordance with the terms of his service contract or otherwise in circumstances justifying summary dismissal (other than by reason of death, ill health, permanent disability or retirement at normal retirement age)
- 11 5 In the event that John Price ceases to be an employee of the Company (or any member of the same group of companies as the Company) in circumstances where he is deemed to be a Bad Leaver then John Price, any person to whom he has transferred shares as a Permitted Transferee and the Trustees of the Settlement for Victoria Price shall be

deemed to have served a Transfer Notice pursuant to Article 7 3 in respect of all shares of the Company held by them on the date of termination of Mr Price's employment or the date on which Mr Price shall have given notice to terminate his employment ("the Effective Date"), as the case may be, and the subsequent provisions of Article 7 shall apply, but so that the Transfer Price shall be determined in the manner set out in Article 11 6

- 11 6 The directors, in their discretion, shall determine the Transfer Price for all the shares in respect of which a Transfer Notice is deemed to be served pursuant to Article 11 5, which shall be either the fair value per share determined pursuant to Article 7 16 2 or in the event that the Effective Date occurs

11 6 1 within a period of 12 months of the date of adoption of these Articles, a total consideration of £100,000,

11 6 2 between 12 to 24 months after the date of adoption of these Articles, a total consideration of £300,000, or

11 6 3 between 24 to 36 months after the date of adoption of these Articles, a total consideration of £500,000

12 **ALTERATION OF SHARE CAPITAL**

- 12 1 Regulation 32 of Table A is amended by replacing "ordinary resolution" with "special resolution"

13 **GENERAL MEETINGS**

- 13 1 In Regulation 37 of Table A the words "not later than eight weeks after receipt of the requisition" are omitted and replaced by the words "not more than twenty-eight days after the date of the notice convening the meeting"

14 **NOTICE OF GENERAL MEETINGS**

- 14 1 Regulation 38 is amended by deleting the words in the first sentence "or a resolution appointing a person as a director"

15 **PROCEEDINGS AT GENERAL MEETINGS**

- 15 1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon Three 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 for all purposes

- 15 2 If a quorum is not present within half an hour for the time appointed for a meeting, or if, during the 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 time and place as the directors may determine If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the adjourned meeting it shall be dissolved

- 15 3 A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote Regulation 46 of Table A is modified accordingly

- 15 4 The chairman at every general meeting of the Company shall be a director The chairman shall not have a second or casting vote

16 **VOTES OF MEMBERS**

16 1 Regulation 54 of Table A is amended by replacing the words "on a poll every member shall have one vote" with "on a poll every member who is present in person, by representative or by proxy shall have one vote"

16 2 Regulation 59 is amended by deleting the second sentence and adding the following sentence at the end of the Regulation

"A proxy need not be a member of the Company"

17 **DIRECTORS**

17 1 Unless and until otherwise determined by the Company by ordinary resolution, the directors shall be not less than two in number Any director may be an individual or a body corporate

18 **ALTERNATE DIRECTORS**

18 1 A director (other than an alternate director) may appoint as his alternate any person who is approved for that purpose by the holders of a majority of the shares of the class by the holders of which he was appointed He may also terminate the appointment

18 2 Any person mentioned in Article 18 1 may act as an alternate director to represent more than one director and an alternate director shall be entitled at any meeting of the directors or any committee of directors to one vote for every director whom he represents who is not present in addition to his own vote (if any) as director, but he shall count as only one for the purposes of determining whether a quorum is present

18 3 An alternate director, in his capacity as such, is not entitled to vote on a resolution on which his appointor is not entitled to vote

18 4 An alternate director ceases to be an alternate for his appointor when his appointor ceases to be a director

18 5 A director and alternate director shall not require a share qualification

18 6 A director and an alternate director in the absence of his appointor shall be entitled to attend and speak at any general meeting of the Company, and at any separate meeting of the holders of any class of shares in the Company, notwithstanding that he is not a member

19 **DELEGATION OF DIRECTORS' POWERS**

19 1 In Regulation 72 of Table A the second sentence is omitted

20 **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

20 1 The office of a director shall be vacated

20 1 1 if he resigns the office of director by notice in writing to the Company,

20 1 2 if he becomes bankrupt or enters into any arrangement with his creditors generally,

20 1 3 if he is prohibited from being a director by an order made under any provision of the Act,

20 1 4 if he becomes of unsound mind

- 20 2 No Director shall at any time be required to retire or vacate his office of Director or be ineligible for re-appointment as Director by reason of his having attained the age of seventy years or any other age and Regulation 81(a) of Table A is deemed not to require a Director to retire by virtue of section 293 of the Act

21 REMUNERATION OF DIRECTORS

- 21 1 Regulation 82 of Table A is amended by replacing "ordinary resolution" with "special resolution"

22 DIRECTORS' APPOINTMENTS AND INTERESTS

- 22 1 The directors may appoint any one or more of their body to be holder of any executive office for such period and on such terms and with or without such title or titles as they think fit. A director holding any such office (whether appointed as aforesaid or otherwise) shall (subject to the terms of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other directors of the Company and if he shall vacate the office of director or (subject as aforesaid) if the directors resolve that his term of office as holder of such executive office as aforesaid be determined, his appointment as such shall immediately determine but without prejudice to any claim for damages for breach of contract of service between the director and the Company

- 22 2 A director appointed to any such office shall receive such remuneration (whether by way of salary, commission, participation in profits, provision for retirement or insurance benefit, or partly in one way and partly in another, or otherwise) as the directors may determine

- 22 3 The directors may entrust to and confer upon any director appointed to any such office any of the powers exercisable by them as directors, other than the power to make calls or forfeit shares, upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers

- 22 4 Regulation 86 of Table A is amended by re-lettering paragraph (b) as paragraph (c) and by adding the following after paragraph (a)

"(b) a general notice to the directors that a director is a member of a specified company or firm and is to be regarded as interested in contracts that are made with the company or firm after the date of the notice shall be deemed to be a sufficient disclosure of his interest in relation to the contracts, and"

23 PROCEEDINGS OF DIRECTORS

- 23 1 The last sentence of Regulation 88 of Table A is deleted

The quorum necessary for the transaction of the business of the directors shall be two directors

- 23 2 The directors may from time to time appoint committees consisting of at least two directors and may delegate any of their powers to any such committee and from time to time revoke any such delegation and discharge any such committee wholly or in part. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the directors but may meet and adjourn as it thinks proper. Any committee shall have power unless the directors direct otherwise to co-opt as a member or members of the committee for any specific purpose any person or persons although not being a director of the Company

- 23 3 The chairman at all meetings of the directors and committees of the directors shall be such non-executive director as is appointed by a majority of the directors from time to time The Chairman shall not have a second or casting vote at meetings of the board
- 23 4 A director may vote at any meeting of directors or any committee of directors on any resolutions notwithstanding that it in any way concerns or relates to a matter in which he has an interest, directly or indirectly, of any kind whatsoever and shall be counted in the quorum present at the meeting notwithstanding such interest
- 23 5 A director may participate in a meeting of the directors or of a committee of which he is a member by conference telephone or similar communications equipment by means of which all the persons participating in the meeting can hear each other at the same time Participation in a meeting in this manner is treated as presence in person at the meeting

24 **MINUTES**

Regulation 100 of Table A is amended by replacing paragraphs (a) and (b) with

- (a) "of all proceedings of general meetings and class meetings,
- (b) of all proceedings of meetings of directors and of committees of directors, and
- (c) of all written resolutions of shareholders or directors "

25 **THE SEAL**

- 25 1 If the Company has a seal, it shall only be used by the authority of the directors or of a committee of the directors authorised by the directors The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director A document signed by a director and the secretary or by two directors and expressed to be executed by the company has the same effect as if executed under the seal

26 **CAPITALISATION OF PROFITS**

- 26 1 Regulation 110 of Table A is amended by replacing "ordinary resolution" with "special resolution"

27 **NOTICES**

- 27 1 The following regulations of Table A apply as amended by this Article

- 27 1 1 the last sentence of Regulation 66 is deleted,
- 27 1 2 the third sentence of Regulation 88 is deleted,
- 27 1 3 the last sentence of Regulation 112 is deleted, and
- 27 1 4 in Regulation 116 there are deleted the words "within the United Kingdom"

28 **INDEMNITY**

- 28 1 To the extent not avoided by the provisions of the Act and without prejudice to any indemnity which an officer might otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges and expenses, losses and liabilities which he may sustain or incur in or about the execution of his office or otherwise in relation to it, and the Company may

- 28 1 1 purchase or maintain for any such officer or auditor insurance against any such liability, (whether or not avoided by the provisions of the Act), and
- 28 1 2 without prejudice to the foregoing indemnify such officer or auditor 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 where the proceedings are withdrawn or settled on terms which do not include a finding or admission of a material breach of duty by him or in connection with any application under the Act in which relief is granted to him by the Court