

CRN: 3948149

TUESDAY



ALTERNATIVE WASTE SOLUTIONS LIMITED
("the Company")

PRINT OF WRITTEN RESOLUTIONS of the Company passed pursuant to Section 381A and Schedule 15A of the Companies Act 1985 (as amended) on **15 JUNE** by all of the members for the time being of the Company entitled to receive notice of and to attend and vote at a general meeting of the Company as special resolutions and ordinary resolutions


SPECIAL RESOLUTIONS

- 1 **THAT** the 14,500 issued A shares of £1 00 each, 15,000 issued B shares of £1 00 each and 500 issued C shares of £1 00 each issued in the capital of the Company shall be re-classified as deferred shares, such shares to have the same rights as set out in the Articles of Association to be adopted in accordance with paragraph 4 below
- 2 **THAT** the 85,500 unissued A shares of £1 00 each, 85,000 unissued B shares of £1 00 each and 99,500 unissued C shares of £1 00 each be re-classified as 270,000 deferred shares of £1 00 each, such shares to have the same rights as set out in the Articles of Association to be adopted in accordance with paragraph 3 below
- 3 **THAT** pursuant to section 95 of the Companies Act 1985 the provisions of section 89(1) of the said Act shall not apply to the allotment of any shares which at the time of passing of this resolution the directors propose to allot provided that such allotment is made within one month of the passing of this resolution and is limited to equity securities up to an aggregate nominal amount of £265 80
- 4 **THAT** the regulations contained in the printed document produced to the meeting and for the purposes of identification initialled by the Chairman be and the same are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company

ORDINARY RESOLUTION

- 5 **THAT** the 1,000 issued ordinary shares of £1 00 each in the capital of the Company be subdivided into 10,000 ordinary shares of £0 10 each
- 6 **THAT** the 99,000 unissued ordinary shares of £1 00 each in the capital of the Company be subdivided into 990,000 ordinary shares of £0 10 each
- 7 **THAT** with effect from the time of the passing of this resolution the directors be unconditionally authorised, pursuant to section 80 of the Companies Act 1985 to allot securities (as defined in the Act) at any time or times during the period of five years from the date hereof and at any time hereafter pursuant to any offer or agreement made by the Company before the expiry of this authority

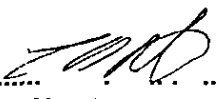
Signed

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Jonathan Short

Dated

..... 15/6/07

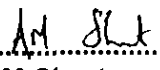
Signed

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Lance Newton

Dated

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Signed

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A M Short

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THE COMPANIES ACTS 1985 to 1989*

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF



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19/06/2007
COMPANIES HOUSE

690

ALTERNATIVE WASTE SOLUTIONS LIMITED (CRN: 3948149)

INTERPRETATION

In these Articles

"Act"	the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force
"Board"	the Board of Directors for the time being of the Company,
"Controlling Interest"	an interest in shares (as defined in Schedule 13 Part 1 and section 324 of the Act) in a company conferring in aggregate 75% or more of the total voting rights conferred by all of the issued shares in that company,
"Deferred Shares"	deferred shares of £1 00 each in the capital of the Company,
"Family Trust"	in relation to any Member a trust which does not permit any of the said property or the income thereof to be applied otherwise than for the benefit of that Member and/or to a Privileged Relation of that Member and under which no power or control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees of such Member or his Privileged Relations,
"Ordinary Shares"	ordinary shares of £0 10 each on the capital of the Company,
"Privileged Relation"	in relation to a Member the spouse or widow or widower of the Member or the Member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Member's children,
"Settlor"	includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or any intestacy of a deceased Member,

"Shares"

all shares in the capital of the Company of whatever class,

"Table A"

Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (S1 1985 No 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (S1 1985 No 1052)

Unless the context requires otherwise, words or expressions in these Articles have the same meaning as in Table A

PRELIMINARY

- 1 The regulations in Table A apply to the Company except insofar as they are excluded or varied by these Articles

SHARE CAPITAL

- 2 1 The authorised share capital of the Company at the date of adoption of these Articles is £400,000 00 divided into

2 1 1 1,000,000 ordinary shares of £0 10 each ("**Ordinary Shares**"),

2 1 2 300,000 deferred ordinary shares of £1 00 each ("**Deferred Shares**"),

- 2 2 The Ordinary Shares and the Deferred Shares shall each constitute different classes of shares for the purposes of the Act but save as otherwise provided in these Articles shall rank par passu in all respects

SHARE RIGHTS

- 3 The Ordinary Shares and the Deferred Shares shall carry the following rights

As to Voting

- 3 1 The holders of the Ordinary Shares shall be entitled to receive notice of and to attend and vote at all general meetings of the Company and, on a poll, shall be entitled to one vote for each share registered in their name
- 3 2 The Deferred Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meetings of the Company

As to Income

- 3 3 Any profits of the Company which the Company may determine to distribute shall be distributed amongst the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them respectively
- 3 4 The holders of Deferred Shares shall not be entitled to receive a dividend or other distribution of profit

As to capital

- 3 5 On a return of assets on a liquidation or on a return of capital or other capital reduction the assets of the Company remaining after payment of its liabilities shall be distributed amongst the holders of Ordinary Shares in proportion to the amounts paid up or credited as paid up

on each such share

- 3 6 The holders of Deferred Shares shall not be entitled to receive any return of capital or assets on a liquidation of the Company

VARIATION OF RIGHTS

- 4 Whenever the capital of the Company is divided into different classes of shares then the special rights attached to any class of shares may not be varied or abrogated (whether or not the Company is being wound up) without the consent in writing of the holders of not less than 75% in nominal value of the issued shares of the relevant class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of the relevant class. To any separate general meeting all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy and holding or representing not less than 33 3% in nominal value of the issued shares of the relevant class, that every holder of shares of the class shall be entitled on a poll vote to one vote for every such share held by him and that any holder of shares of the class present in person or by proxy (or being a corporation) by a duly appointed representative may demand a poll. For the purpose of this Article one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting

ALLOTMENT OF SHARES

- 5 1 The Directors of the Company may (subject to **Articles 5.2 and 5.3** below and section 80 of the Act) allot, grant options over or otherwise deal with or dispose of any relevant securities (as defined in section 80(2) of the Act) in the Company on such terms and conditions and in such manner as they think proper
- 5 2 The Directors of the Company are generally and unconditionally authorised during the period of 5 years from the date of adoption of these Articles to allot, grant rights to subscribe for or convert securities into shares up to the nominal amount of the unissued share capital of the Company as at the date of the adoption of these Articles or such other amount as may from time to time be authorised by the Company in general meeting
- 5 3 Subject to any direction to the contrary that may be given by special resolution by the Company in general meeting any shares comprised in the original and any increased authorised share capital of the Company shall, before they are issued, be offered to the Members in proportion as nearly as possible to the nominal value of the existing shares (of whatever class) held by them. The offer shall be made by notice specifying the number and class of shares to which the Member is entitled, the subscription price per share of such shares and limited to a time not less than 21 days within which the offer, if not accepted, shall be deemed to have been declined. After the expiration of that time or on receipt of an intimation from the Member to whom the notice is given that he declines to accept the shares, those shares shall be offered to the persons who have, within the said period, accepted all the shares offered to them in the proportion which their ordinary shareholdings bear to each other. This further offer shall be made in like terms and in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid shall be under the control of the Directors who may dispose of the same in the manner as they think most beneficial to the Company. The Directors may in like manner dispose of any shares which by reason of the proportion borne by them to the number of persons entitled to the offer as aforesaid or by reason of any difficulty in apportioning them can not in the opinion of the Directors be conveniently offered in the manner above. The provisions of this Article may be relaxed or varied to any extent by the written agreement of all the Members for the time being
- 5 4 In accordance with section 91(1) of the Act, sections 89(1) and sections 90(1) to (6)

inclusive shall not apply to the Company

TRANSFER OF SHARES

- 6 1 No sale or transfer of any shares shall be transferred (which expression includes any disposition of any legal or equitable interest in any share and whether by way of gift sale mortgage or otherwise) and the Directors shall not register in the statutory books of the Company any transfer of shares unless and until the rights of pre-emption conferred in this **Article 6** have been exhausted
- 6 2 Any Member or person entitled to any shares by reason of the death or bankruptcy of a Member who intends to transfer or otherwise dispose of part or all of the shares held by him ("**a Proposed Transferor**") shall, before so doing or agreeing so to do, inform the Company of his intention by giving it notice in writing specifying the number and class of shares which he wishes to sell ("**a Transfer Notice**") A Transfer Notice shall constitute the Company the agent of a Proposed Transferor, empowered to sell the shares referred to in the transfer notice ("**the Sale Shares**") (together with all rights then attached to them) at a price to be determined in accordance with the provisions of **Article 6.8** ("**the Sale Price**") to any Member or Members in the manner appearing below Save for shares sold pursuant to a deemed transfer notice the transfer notice may contain a provision that unless all the shares comprised therein are sold by the Company pursuant to this Article none shall be sold and any such provision shall be binding on the Company
- 6 3 Subject to this **Article 6.3** a Transfer Notice shall not be revocable except with the consent of the Board which may impose such conditions upon any consent as it thinks fit, including a condition that the Proposed Transferor bear all associated costs If the auditors are asked to certify the Sale Price in accordance with **Article 6.8** the Company shall within 7 days of the issue of the auditors' certificate send a copy to the Proposed Transferor The Proposed Transferor shall be entitled, by notice in writing given to the Company within 14 days of the copy being sent to him, to withdraw the Transfer Notice
- 6 4 On the Sale Price being fixed pursuant to **Article 6.8** and provided that the Proposed Transferor does not withdraw the Transfer Notice in accordance with **Article 6.3**
- 6 4 1 the Company will promptly give notice in writing of the Transfer Notice specifying the Sale Price and the number of Sale Shares to be transferred (an "**Offer Notice**") to the other Members of the Company holding shares of the same class as the Sale Shares (other than the Proposed Transferor) ("**the Offer**"),
- 6 4 2 the Offer will give such other Members the right to claim the Sale Shares pro rata to their existing shareholding of shares of the same class as the Sale Shares calculated as if the Sale Shares held by the Proposed Transferor had not been issued but shall be limited to a period of 21 days from the date of the Offer Notice ("**the Acceptance Period**") and if not accepted in writing by such Members within such time be deemed to have been declined by such Members,
- 6 4 3 the Offer Notice will give the Members to which it is made the right to claim shares in addition to their due proportion if any other Members do not accept their due proportion within the Acceptance Period If any such Members do not accept their due proportion then the unaccepted Sale Shares will be distributed amongst those Members claiming additional shares in proportion or as nearly as may be to their said holdings (but the Members shall not be bound to take more shares than they are prepared to take) If the number of Sale Shares comprised in the Transfer Notice is insufficient to enable them to be offered pro rata to all the Members then they will be offered individually to such Members by the drawing of lots

6 5 If (i) there are no other Members holding shares of the same class as the Proposed Transferor or if (ii) pursuant to **Article 6.4** above Members shall have expressed their willingness to purchase part only of the Sale Shares or no such Members shall have expressed their willingness to purchase any of the Sale Shares, the Board shall in the case of (i) on the Sale Price being fixed pursuant to **Article 6.8** and in the case of (ii) within 28 days after the expiry of the Acceptance Period, give notice in the manner provided in **Article 6.4** to all the Members holding shares of a different class to those held by the Proposed Transferor in respect of the Sale Shares or (as the case may be) so many of them as the Members have not already expressed willingness to purchase pursuant to **Article 6.4** above and the provisions of that Article shall apply to the offer of Sale Shares to the holders of shares of other classes in like manner

6 6 If after the procedure set out in **Articles 6.4 and 6.5** there are Sale Shares the subject of the Offer which have been declined then the Company shall forthwith give notice of that in writing to the Proposed Transferor and (subject to the previous sanction of the Board, such sanction not to be unreasonably withheld) he shall then be at liberty at any time thereafter up to the expiration of 3 months after the giving of such notice to transfer those shares which Members have not agreed to purchase to any person on a bona fide sale at any price not being less than the Sale Price provided that

6 6 1 if the Transfer Notice states that the Proposed Transferor is not willing to transfer part only of the shares the subject of the Transfer Notice, he shall not be entitled to transfer any of the shares unless in aggregate the whole of the shares are transferred, and

6 6 2 the directors may require to be satisfied that such shares are being transferred in pursuance of a bona fide sale for the consideration stated in the instrument of transfer without any deduction, rebate or allowance whatsoever being given to the purchaser and if not so satisfied may refuse to register the instrument of transfer

6 7 If the Members shall within the periods of the offer contained in **Articles 6.4 and 6.5** agree to purchase all or any of the Sale Shares in accordance with **Article 6.4 and 6.5** at the Sale Price or the Proposed Transferor finds another purchaser pursuant to **Article 6.6** the Board shall forthwith give notice in writing ("**the Acceptance Notice**") to the proposed transferor of such acceptance specifying the place and time (being not earlier than 7 days nor more than 28 days after the date of the Acceptance Notice) at which the sale of the Sale Shares or such of them as are applied for is to be completed ("**the Completion Date**")

6 8 The Sale Price for each of the Sale Shares shall be the price which is agreed upon by the Proposed Transferor and the Board or, in the absence of agreement, the price which the auditors of the Company (acting as experts and not as arbitrators) certify to be in their opinion the fair value of the Sale Shares a willing buyer would agree with a willing seller contracting on arm's length terms to be the purchase price of such Sale Shares having regard to the fair value of the business of the Company and its Subsidiaries as a going concern but without taking into account (if it be the case) that such Sale Shares constitute a minority interest. The auditors shall not be restricted to consideration of the latest available accounts but shall consider the current financial position of the Company at the date of the Transfer Notice (as the case may be) as stated in the latest available management accounts and in the light of all circumstances prevailing at the relevant time

The auditors' certificate shall be binding upon all parties. The Company shall use its reasonable endeavours to procure that the auditors deliver their certificate within 28 days of being requested to do so. The cost of obtaining the certificate shall be borne by the Company unless the Proposed Transferor shall withdraw the Transfer Notice in accordance with **Article 6.3** in which case the Proposed Transferor shall bear the cost

6 9 If the proposed transferor having become bound to transfer the Sale Shares makes default

in transferring them the Company may receive the purchase money tendered by the purchasing Members and the Proposed Transferor will be deemed to have appointed any one director as his agent to execute transfers of the Sale Shares and upon the execution of such transfers the Company will hold the purchase money in trust for the Proposed Transferor. The receipt of the Company for the purchase money will be a good discharge to the purchasing Member and after his name has been entered on the register of Members in purported exercise of the power conferred by this clause the validity of the proceedings will not be questioned by any Member

6 10 For the purposes of this Article the following shall be deemed to be a relevant event

6 10 1 a sale or other disposition of any beneficial interest in a share (whether or not for consideration) by a Member otherwise than in accordance with the above provisions and whether or not made in writing,

6 10 2 a corporate Member entering into liquidation (other than a Members' voluntary liquidation for the purpose of reconstruction or amalgamation) or an administrative receiver or a receiver being appointed over any of its assets or an administration order being made against it,

6 10 3 the bankruptcy of a Member,

6 10 4 the death of a Member,

6 10 5 a corporate Member ceases to be controlled by the person who at the time when it became a Member had control. For the purposes of this paragraph, a person shall be deemed to have control of a corporation if the corporation is a subsidiary of that person or would have been a subsidiary if that person had itself also been a corporation,

6 10 6 a Member ceasing to be an employee of the Company or any of its subsidiaries save where such cessation of employment arises by reason of the death of the Member or the transfer of employment of such Member to the Company or any of its subsidiaries in circumstances where continuity of employment is preserved pursuant to the Employment Rights Act 1996

6 11 If a relevant event occurs in relation to a Member, he shall be deemed to have given a Transfer Notice in respect of all shares of each class held by him or by any nominee for him immediately prior to the event together with all shares transferred by such Member pursuant to **Articles 6.13.2 and 6.13.3**. Notwithstanding **Article 6.3** such a Transfer Notice shall not be revocable

6 12 For the purpose of ensuring that a transfer of shares is duly authorised, or that no circumstances have arisen whereby a Transfer Notice is deemed to have been given, the directors may require a Member, the legal representatives of a deceased Member, the liquidator of a corporate Member or a person named as transferee in a transfer lodged for registration to furnish to the Company such information and evidence as the directors think fit regarding any matter they deem relevant to that purpose. If the information or evidence is not furnished to the satisfaction of the directors within a reasonable time after the request, the directors shall be entitled to refuse to register the transfer in question. In a case where no transfer is in question or if the information or evidence discloses that a Transfer Notice ought to be given in respect of any shares, the directors shall be entitled within a reasonable time to require, by notice in writing given to the registered holder, that a Transfer Notice be given in respect of the shares concerned. A director who is, or is nominated by, the Seller or the holder of the shares concerned shall not be entitled to vote at any board meeting at which a resolution considering the registration of a transfer or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the shares concerned

is proposed. If the directors require that a Transfer Notice be given and it is not duly given within one month from the date of its being required, the Transfer Notice shall be deemed to have been given at the expiration of the month and the provisions of this article shall take effect accordingly.

6 13 The restrictions on transfer contained in this Article shall not apply to

6 13 1 a transfer approved in writing all the Members,

6 13 2 a transfer by a corporate Member ("**the transferor company**") to an associated company ("**the transferee company**") (that is to say a holding company or wholly owned subsidiary of the transferor company and any other wholly owned subsidiary of any holding company). If the transferor company and the transferee company cease to be associated the transferee company shall be deemed to have given a Transfer Notice immediately prior to that event in respect of all the shares transferred to it unless it retransfers the shares to the transferor company. Notwithstanding **Article 6.3** such a Transfer Notice shall not be revocable,

6 13 3 a transfer (or any disposition on death) to a Privileged Relation or to trustees to be held upon a Family Trust

It must be proved to the reasonable satisfaction of the directors that the transfer bona fide falls within one of these exceptions

6 14 Where any shares are held by trustees upon a Family Trust

6 14 1 on any change of trustee such shares may be transferred to the new trustees of the Family Trust,

6 14 2 such shares may be transferred at any time to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor, and

6 14 3 if and when any such shares cease to be held upon a Family Trust (otherwise than in consequence of a transfer to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor) a Transfer Notice shall be deemed to have been given in respect of the relevant shares by the holders thereof and such shares may not otherwise be transferred. Notwithstanding **Article 6.3** such a Transfer Notice shall not be revocable

6 14 4 For the purposes of this sub-article "**relevant shares**" means and includes the shares originally transferred to the trustees and any additional shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them

6 15 Any transfer of Shares made otherwise than in accordance with the provisions of this **Article 6** will be void and have no effect

LIEN ON SHARES

7 1 The lien conferred by regulation 8 of Table A shall attach to fully paid as well as partly paid shares, and to all shares, registered in the name (whether as sole or joint holder) of any person indebted or under liability to the Company. The registration of a transfer of a share shall operate as a waiver of any lien of the Company on that share

7 2 In regulation 8 of Table A there shall be substituted for the words 'any amount payable in respect of it' the words 'all distributions and other monies or property attributable to it' and the same words will be substituted in regulation 19 of Table A for the words 'all distributions

or other monies payable in respect of the forfeited shares'

DRAG ALONG AND TAG ALONG

8 In the event that the holders from time to time of 85% of the issued share capital of the Company giving the right to attend and vote at meetings of the Company ("**the Vendors**") propose to sell their shares in the Company ("**the Sale**") then the following provisions shall apply

8 1 The Vendors shall have the right ("**the Drag Along Right**") to require all other Members of the Company ("**the Called Members**") to accept in full the offer made to them provided that such offer is at a price per share equal to the highest price paid or payable per share by the proposed purchaser to the Vendors and is a bona fide arm's length offer

8 2 The Drag Along Right may be exercised by the Vendors serving notice to that effect ("**the Drag Along Notice**") on the Called Members at any time and shall specify

8 2 1 the number and class of shares which the Vendors propose to sell,

8 2 2 the third party to whom the Vendors wish to sell their shares and the identity of the person owning or controlling that third party ("**the Offeror**"),

8 2 3 the consideration ("**the Offer Price**") per share calculated in accordance with **Article 8.12** and which must be the same for all shares in the same class,

8 2 4 any unpaid dividends to be retained by the Vendors, and

8 2 5 the date on which the sale and purchase of the shares will be completed which will not be less than 28 days after the date of the Drag Along Notice but not including the date of the Drag Along Notice The Drag Along Notice shall constitute an Offer to all the Called Shareholders on which it is served to sell their shares on the terms set out therein

8 3 A Drag Along Notice once given will be irrevocable but shall lapse (and the obligations under such notice lapse) in the event that for any reason the Vendors do not transfer their shares in the Company which are the subject of the relevant transaction to the Offeror or the Offeror's nominee not later than the date specified for completion in the Drag Along Notice

8 4 Upon exercise of the Drag Along Right in accordance with this **Article 8** each of the Called Members shall be bound to accept the offer made to them in respect of their entire holding of shares and to comply with the obligations assumed by virtue of such acceptance

8 5 In the event that any Called Member fails to accept the offer made or, having accepted such offer, fails to complete the sale of his shares pursuant to the offer or otherwise fails to take any action required of him under the terms of the offer the Board may authorise any director to accept the offer on behalf of the Called Member in question and undertake any action required under the terms of the offer and/or the Called Member will be deemed to have appointed such Director as his agent to execute transfers of his shares and the Company may receive any purchase monies tendered in respect of such shares and will hold the purchase money in trust for the Called Member The receipt of the Company for the purchase money will be a good discharge to the Offeror or the Offeror's nominee

and after his name has been entered on the register of Members in purported exercise of the power conferred by this clause the validity of the proceedings will not be questioned by any Member

- 8 6 Notwithstanding any other Article no sale or transfer of the legal or beneficial interest in any shares in the Company ("**the Specified Shares**") may be made or validly registered if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained in the Company by a person or persons who are not Members as at the date of adoption of these Articles unless, before the transfer is lodged for registration, the third party purchaser acting in good faith has or have offered conditional only on the acquisition of a Controlling Interest to purchase all of the ordinary shares ("**the Tag Along Offer**")
- 8 7 A Tag Along Offer shall be in writing, shall specify the price at which the ordinary shares may be transferred (being the highest price per share payable by the third party purchaser in respect of each of the Specified Shares) shall be open for acceptance for at least 21 days and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance. The consideration payable pursuant to a Tag Along Offer shall be settled in full on completion of the sale and purchase of the ordinary shares referred to therein and within 21 days of the date of the Tag Along Offer
- 8 8 Following the acceptance of a Tag Along Offer by a holder of ordinary shares in the Company, that Member shall be obliged to sell such shares to the third party purchaser at the price specified in the Tag Along Offer and completion of this sale and purchase shall take place on the same date as the date of completion of the sale of the Specified Shares
- 8 9 Each holder of ordinary shares who accepts a Tag Along Offer shall be deemed to have appointed each director severally as his attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of all of the ordinary shares to the third party purchaser including (without limitation) the receipt of the purchase monies tendered in respect of such shares. The receipt of the Company for the purchase money will be a good discharge to the third party purchaser or his nominee and after his name has been entered in the Register of Members in purported exercise of the power conferred by this clause the validity of the proceedings shall not be questioned by any Member
- 8 10 If any person becomes a Member of the Company following the issue of a Drag Along Notice or a Tag Along Notice pursuant to this **Article 8** ("**a New Member**") such Drag Along Notice or Tag Along Notice shall be deemed to have been served on that New Member who shall (subject to **Articles 8.2** and/or **8.8**) be bound to sell and transfer all such shares acquired by the New Member and the provisions of this **Article 8** shall apply mutatis mutandis to the New Member
- 8 11 The rights of pre-emption set out in these Articles shall not arise on the transfer of any shares to an Offeror or third party purchaser (or their nominee) pursuant to a sale in respect of which a Drag Along Notice had been duly served and/or a Tag Along Offer accepted
- 8 12 In determining the price per share for the purposes of **Articles 8.1** and **8.7** then there shall be included any other consideration (in cash or otherwise) received or receivable by the Vendors which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the shares of the Vendors. In the event of a dispute as to the price payable by the Offeror to the Offeror's nominee to the Vendors in respect of the shares then

the matter shall be referred for determination to the Auditors of the Company for the time being who will act as expert and not as arbitrator and whose decision in the absence of manifest error will be final and binding

NON-PAYMENT OF CALLS

- 9 The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 of Table A of the words 'and all costs and expenses that may have been incurred by the Company by reason of such non-payment'

NOTICES OF GENERAL MEETINGS

- 10 Every notice convening a general meeting shall comply with the provisions of section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies, and notices of, and other communications relating to, any general meeting which any Member is entitled to receive shall be sent to the directors and to the auditors of the Company

QUORUM AT GENERAL MEETINGS

- 11 1 No business shall be transacted at any meeting unless a quorum is present Two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum
- 11 2 If a quorum is not present within half an hour from the time appointed for the start of a general meeting the meeting shall be adjourned to the same day (or, if that day is a holiday, to the next following working day) in the next week at the same time and place, or to such other day and at such other time and place as the directors may determine, and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for its start, such adjourned meeting shall again be adjourned If there is no further quorum at the further adjourned meeting within half an hour from the time appointed for its start the Member or Members present (whatever their numbers and the class or classes of shares held by them) shall constitute a quorum
- 11 3 Regulation 41 of Table A shall not apply to the Company
- 11 4 At any time when the Company has only one Member that Member present in person or by proxy shall constitute a quorum Regulation 40 of Table A shall be modified accordingly
- 11 5 In the case of a corporation a resolution in writing may be signed on its behalf by a director or the secretary of it or by its duly appointed attorney or duly authorised representative and regulation 53 of Table A shall be excluded accordingly

NUMBER OF DIRECTORS

- 12 1 Unless otherwise determined by ordinary resolution in general meeting of the Company the number of Directors (other than alternate directors) shall not be subject to any maximum, and the minimum number of Directors shall be one Whenever the minimum number of directors is one, a sole director shall have authority to exercise all the powers and discretions vested in the directors generally, and regulation 89 of Table A (which relates to the quorum at board meetings) is modified accordingly
- 12 2 Regulation 64 of Table A shall not apply to the Company

APPOINTMENT OF DIRECTORS

- 13 1 No person shall be appointed a director at any general meeting unless either

13 1 1 he is recommended by the directors, or

13 1 2 not less than fourteen nor more than thirty-five clear days before the date appointed for the general meeting, notice signed by a Member qualified to vote at the general meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed

13 2 The Company may subject to **Article 13.1**, by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director

13 3 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number determined in accordance with **Article 12** as to the maximum number of directors for the time being in force

RETIREMENT OF DIRECTORS

14 1 The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) of Table A shall not apply

14 2 Regulation 81 of Table A shall be amended by substituting the following for paragraphs (c) and (e)

(c) he becomes in the opinion of all his co directors incapable by reason of mental disorder of discharging his duties as a director, or

(e) he is otherwise duly removed from office

14 3 A director shall not be required to vacate his office or be ineligible for re-election, and no person shall be ineligible for appointment as a director, by reason only of his attaining any particular age

PROCEEDINGS OF DIRECTORS

15 1 Notice of every meeting of the directors shall be given to each director at any address supplied by him to the Company for that purpose provided that any director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him

15 2 The quorum necessary for the transaction of business at any meeting of the directors or any committee is 2 directors

15 3 A director shall be treated as present in person at a meeting of the directors or any committee of the directors if he is in communication with the meeting by conference telephone or other communication equipment permitting those attending the meeting to hear one another A director taking part in a meeting by telephone shall be counted in the quorum of the meeting and shall be entitled to vote at it A meeting of the directors or of a committee to which this Article applies shall be deemed to take place where the majority of those participating is assembled or, if there is no majority, at the place where the chairman of the meeting is present

15 4 Questions arising at any meeting of the Directors shall be decided by a majority of votes If there is an equality of votes, the chairman shall have a second or casting vote

DIRECTORS' BORROWING POWERS

- 16 1 The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit and to mortgage or charge its undertaking property and uncalled capital and to issue debentures and other securities whether as primary or collateral security for any debt liability or obligation of the Company any subsidiary or holding company or any third party and to issue notes bonds and other obligations of the Company either for cash or as consideration for the acquisition of assets other than cash

ALTERNATE DIRECTORS

- 17 1 Any director (other than an alternate director) may appoint any other director or any other person willing to act to be an alternate director and may remove from office an alternate director so appointed by him Regulation 65 of Table A shall not apply to the Company
- 17 2 An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointer as such appointer may by notice in writing to the Company from time to time direct Regulation 66 of Table A shall be modified accordingly
- 17 3 An alternate director may represent more than one director, and shall be entitled at any meeting of the directors or of any committee of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present

GRATUITIES AND PENSIONS

- 18 1 The directors may exercise the powers of the Company conferred by Clause 3(ix) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers
- 18 2 Regulation 87 of Table A shall not apply to the Company

DIRECTORS' INTERESTS IN TRANSACTIONS

- 19 1 Subject to the provisions of the Act a director may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a director A director may (where he has previously notified his interest to the Company) vote at any meeting of the directors (or of any committee of the directors) on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest or duty If he does so vote his vote shall be counted and (whether or not he votes) he may be counted as part of the quorum present at the meeting
- 19 2 Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company
- 19 3 If at any time when the Company has only one Member it shall enter into a contract with that Member (other than a contract entered into in the ordinary course of the Company's business) at a time when the sole Member is also a director of the Company, the terms of that contract shall, unless the contract is in writing, be set out in a written memorandum or recorded in the minutes of the first meeting of the directors of the Company following the making of the contract
- 19 4 Failure to comply with **Article 19.3** above shall not affect the validity of any contract referred to in that paragraph, and no person dealing with the Company shall be concerned to inquire as to whether any provision of that paragraph has been complied with

COMPANY SEAL

- 20 1 If the Company has a seal it shall not be affixed to any instrument except by the authority of a resolution of the directors or a committee of directors and except in the presence of two directors or one director and the Company Secretary
- 20 2 The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad, and those powers shall be vested in the directors

NOTICES

- 21 Any notice required by these Articles to be given to the Company may be given by any visible form on paper, including telex, fax and electronic mail. A notice communicated by immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111 and 112 of Table A shall be amended accordingly

INDEMNITY

- 22 1 Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director, secretary, auditor or other officer of the Company is entitled to be indemnified by the Company against all losses and liabilities sustained or incurred by him in the execution of his duties or in the exercise of his powers or otherwise in connection with his office, including any liability incurred by him in (i) defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted without any finding or admission of any material breach of duty on his part, or (ii) in connection with any application in which relief is granted to him by the court from liability in respect of any act or omission done or alleged to be done by him as an officer or employee of the Company. This Article shall apply only in so far as its provisions are not avoided by section 310 of the Act
- 22 2 The Company may purchase and maintain for any person to whom this Article 21 applies insurance against any such liability against which he is entitled to be indemnified
- 22 3 Article 118 of Table A shall not apply to the Company