

THE COMPANIES ACT 1985 AND 2006
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
EUNOMIA RESEARCH & CONSULTING LIMITED
(Company no. 04150627)

Adopted by a written resolution dated 12 March 2009
and amended by resolution passed on the 12 May 2009

MONDAY



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Contents

1.	Preliminary.....	3
2.	Interpretation.....	3
3.	Share capital	7
4.	Issue of new shares	8
5.	Lien.....	8
6.	Calls.....	9
7.	Transfer of shares - General	9
8.	Permitted Transfers	9
9.	Voluntary Transfers.....	11
10.	Drag Along Rights	15
11.	Tag Along Rights.....	17
12.	Compulsory Transfers	17
13.	Prohibited Transfers.....	20
14.	Proceedings at general meetings	20
15.	Appointment and retirement of directors	21
16.	Nominated Director	21
17.	Proceedings of directors	21
18.	Alternate Directors	22
19.	Directors Meetings	22
20.	Disqualification of Directors	22
21.	Notices	23
22.	Indemnity and Insurance.....	23

THE COMPANIES ACT 1985 AND 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

EUNOMIA RESEARCH & CONSULTING LIMITED

(the "Company")

1. Preliminary

The Company is a private company and, subject as hereinafter provided and except where the same are varied or excluded by or inconsistent with these Articles, the Regulations contained or incorporated by reference in Table A (as defined below) shall apply to the Company and shall be deemed to form part of these Articles.

2. Interpretation

2.1 In these Articles unless the context otherwise requires the following expressions have the following meanings:

"the Act"	the Companies Act 1985 (as amended by the Companies Act 2006 at the date of this Agreement);
"acting in concert"	has the meaning ascribed to it by the City Code on Takeover and Mergers as in force and construed at the date of these Articles;
"A Member"	a member of the Company holding A Ordinary Shares;
"A Ordinary Shares"	A Ordinary Shares of £1 each in the capital of the Company each having the rights as set out in these Articles;
"Articles"	these articles of association (and any reference to an Article shall be a reference to that article of these articles of association);
"Asset Sale"	the disposal by the Company of all, or a substantial part of, its business and assets;
"Associate"	has the meaning given by section 435 of the Insolvency Act 1986;
"the Auditors"	the auditors from time to time of the Company;
"B Member"	a member of the Company holding B Ordinary Shares;
"B Ordinary Shares"	B Ordinary Shares of £1 each in the capital of the Company each having the rights set out in these Articles;

"Bad Leaver"

in the case of a Member who is a director, a Member who resigns as a director of the Company, in the case of a Member who is a director and an employee, a Member who resigns as either a director or an employee and as a result ceases to be either a director or an employee of the Company and in the case of a Member who is an employee, a Member who resigns as an employee of the Company unless:

- (a) he resigns at the written request of the board; or
- (b) he resigns due to his mental or serious physical incapacity or incapacitating serious ill health, in each case such as to render him medically unfit to continue to occupy his office or position; or
- (c) he resigns in circumstances which would amount to constructive dismissal; or
- (d) he resigns in accordance with his contract of employment with the Company, he has not committed any material breach of the terms of these Articles by the Member and the resignation is after the fourth anniversary of becoming a Member;

unless in each case the A Members and the Company agree in writing that such cessation or act shall not be deemed to lead to that Member being a Bad Leaver;

"Business Day"

a day on which banks are open for normal banking business in the City of London (excluding Saturdays and Sundays);

"Change of Control"

the acquisition (whether by purchase, transfer, renunciation or otherwise) by any person (a **"Third Party Purchaser"**), excluding any Member of the Company on the date of adoption of these Articles of any interest in shares if, upon completion of that acquisition the Third Party Purchaser, together with his Associates and persons acting in concert with him/them, would hold more than 50 per cent of the issued A Ordinary Shares;

"Compulsory Transfer"

has the meaning given by Article 12;

"Deemed Transfer Notice"

a Transfer Notice deemed to be given under

	any provision of these Articles;
"Default Interest Rate"	four per cent above the base lending rate of Barclays Bank plc from time to time;
"Encumbrance"	means and includes any interest or equity of any person (including, without prejudice to the generality of the foregoing, any right to acquire, option or right of pre-emption) or any mortgage, pledge, lien or assignment or any other encumbrance, priority or security interest or arrangement of whatsoever nature over or in the relevant property;
"Good Leaver"	any Member other than a Bad Leaver and a Very Bad Leaver;
"ICTA"	the Income and Corporation Taxes Act 1988;
"Market Value"	the value as determined in accordance with Article 9.13;
"Member"	a holder of Shares from time to time;
"Nominated Director"	a director of the Company appointed and holding office from time to time pursuant to Article 16 and, unless otherwise stated, includes his duly appointed alternate;
"Preferred Member"	a member holding Preferred Shares;
"Preferred Shares"	preferred shares of £1 each in the capital of the Company each having the rights as set out in these Articles;
"Preferred Sum"	the sum of £1,000,000 to be increased yearly on the anniversary of the adoption of these Articles in accordance with the All Items Retail Prices Index excluding Mortgage Interest Payments (RPIX);
"Regulation"	a Regulation in Table A;
"Share"	a share in the capital of the Company of whatever class having the rights set out in these Articles;
"Share Sale"	the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in a Change of Control;
"Table A"	Table A in the Companies (Tables A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2541) and the Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007 (SI 2007/2826) and as otherwise amended prior to the adoption of

"Transfer Notice"

these Articles);

has the meaning attributable thereto in Article 9.1 and includes, where the context admits, a Deemed Transfer Notice;

"Transferor"

a Member who agrees to or wishes to transfer any Shares or is obliged to transfer any Shares pursuant to these Articles;

"Valuers"

the Auditors unless a report on Market Value (as defined in these Articles) is to be made and, within 15 Business Days after the date of the relevant Transfer Notice, the Transferor notifies the directors in writing that he objects to the Auditors making that report, or the Auditors decline an instruction to report on the Market Value, when the Valuers shall for the purpose of that report be a firm of chartered accountants agreed between the Transferor and the directors or, in default of agreement within 20 Business Days after the date of the relevant Transfer Notice, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Transferor or the directors;

"Very Bad Leaver"

in the case of a Member who is a director, a Member who ceases to be a director of the Company, in the case of a Member who a director and an employee, a Member who ceases to be either a director or an employee of the Company and in the case of a Member who is an employee, a Member who ceases to be an employee of the Company, as a result of the termination of his appointment or employment by the Company where he shall have:

- (a) been in material breach of these Articles; or
- (b) become bankrupt; or
- © been imprisoned for any criminal offence; or
- (d) become subject to any order or agreement made pursuant to the Company Directors' Disqualification Act 1986 (as amended); or
- (e) been in breach of his employment contract with the Company on grounds entitling the Company summarily to dismiss him; or
- (f) committed a substantial breach

or persistent breaches of his employment contract;

unless in each case the A Members and the Company agree in writing that such cessation or act shall not be deemed to lead to that Member being a Very Bad Leaver;

"Voluntary Transfer"

has the meaning given by Article 9.

2.2 Unless the context otherwise requires:

2.2.1 words or expressions the definitions of which are contained or referred to in the Act shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles; and

2.2.2 words importing the singular include the plural, words importing any gender include every gender, and words importing persons include bodies corporate and unincorporated; and (in each case) vice versa.

3. Share capital

3.1 The share capital of the Company at the date of adoption of these Articles is £100,000 divided into 200 Preferred Shares of £1 each, 99,700 A Ordinary Shares of £1 each and 100 B Ordinary Shares of £1 each.

3.2 The rights and restrictions attaching to the different classes of shares in the capital of the Company are as follows:

3.2.1 Income

The rights as regards income attaching to each class of Shares shall be as set out in this Article 3.2.1:

3.2.1.1 The A Ordinary Shares and the B Ordinary Shares shall rank as separate classes of shares in respect of any available profits which the directors may determine to distribute in respect of any financial period;

3.2.1.2 Any available profits which the directors may determine to distribute in respect of any financial period amongst the holders of the A Ordinary Shares shall be in proportion to the amounts paid up on the A Ordinary Shares (excluding any premium);

3.2.1.3 Any available profits which the directors may determine to distribute in respect of any financial period amongst the holders of the B Ordinary Shares shall be in proportion to the amounts paid up on the B Ordinary Shares (excluding any premium).

3.2.1.4 For the avoidance of doubt, the directors may determine to distribute available profits in respect of any financial period amongst the holders of one class of Shares only and the Preferred Shares shall not be entitled to any dividends.

3.2.2 Capital

On a return of capital on winding up or otherwise (other than on conversion, redemption or purchase of shares) the assets of the Company available for distribution among the Members shall be applied as follows:

- 3.2.2.1 firstly, in paying the Preferred Sum to the holders of Preferred Shares in proportion to the number of Preferred Shares held by them respectively;
- 3.2.2.2 secondly, in paying to the holders of the A Ordinary Shares and the B Ordinary Shares the amount paid up or credited as paid up on each such shares;
- 3.2.2.3 thirdly, in paying to the holders of the A Ordinary Shares and to the holders of B Ordinary Shares the balance of any amount available for distribution in proportion to the number of A Ordinary Shares and B Ordinary Shares held by them respectively.

3.2.3 Voting

- 3.2.3.1 On a show of hands every Member holding A Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, not being himself a Member entitled to vote, shall have one vote and on a poll every Member shall have one vote for every A Ordinary Share of which he is the holder.
- 3.2.3.2 For the avoidance of doubt, neither the Preferred Shares nor the B Ordinary Shares shall confer on the holders thereof any right to receive notice of or to attend, to speak or to vote at any general meetings of the Company.

4. **Issue of new shares**

- 4.1 Subject to any directions which may be given by the Company in general meeting, the directors may unconditionally exercise the power of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) and without prejudice to the generality of the foregoing any shares hereafter created shall be under the control of the directors, who may allot, grant options over or otherwise dispose of the same to such persons (including the directors themselves) on such terms and at such times as they may think proper, provided that no shares shall be issued at a discount. The authority conferred on the directors by this Article shall expire on the day preceding the fifth anniversary of the date of adoption of these Articles.
- 4.2 The provisions of Section 89(1) and 90(1) to (6) inclusive of the Act shall not apply to any allotment or grant of equity securities (as defined in Section 94(2) of the Act).

5. **Lien**

The lien conferred by Regulation 8 shall attach also to fully paid up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid up or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all monies presently payable by him or his estate to the Company. Furthermore, such lien shall extend to all amounts payable in respect of a share. Regulation 8 shall be modified accordingly.

6. Calls

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 the words "and all expenses that may have been incurred by the Company by reason of non-payment of the call".

7. Transfer of shares - General

7.1 Each of the Members covenants with each of the other Members and the Company that he will not or will not purport to transfer any Share or any interest in any Share unless the transfer is:

7.1.1 permitted by Article 8 (Permitted Transfers); or

7.1.2 made in accordance with Article 9 (Voluntary Transfers), Article 10 (Drag Along), Article 11 (Tag Along) or Article 12 (Compulsory Transfers); and

7.1.3 in each case not prohibited under Article 13 (Prohibited Transfers).

7.2 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any Encumbrance.

7.3 No arrangement shall be entered into by any Member whereby the terms upon which that Member holds any Shares are to be varied if as a result any interest in those Shares is varied, disposed of or created or extinguished, except by a transfer made in accordance with these Articles.

7.4 If a Member at any time commits a breach of Article 7.1 or Article 7.3 in relation to any Share he shall be deemed immediately prior to such breach to have given a Transfer Notice in respect of such share.

7.5 Where a Transfer Notice in respect of any Share is deemed to have been given under any provision of these Articles and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same such Transfer Notice shall be deemed to have been received by the directors on the date on which a majority of the directors (excluding the Transferor) actually became aware of such facts and the provisions of Article 12 shall apply accordingly.

7.6 The first sentence of Regulation 24 shall not apply. The directors shall not refuse to register any transfer of a Share which is permitted under these Articles but may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any Share on which the Company has a lien; or

7.7 If a Member becomes aware of any event which is deemed to give rise to an obligation on a party (including the Member himself) to serve a Transfer Notice under any provision of these Articles he shall forthwith give written notice thereof to the directors.

8. Permitted Transfers

8.1 For the purposes of Articles 8 and 12:

"immediate family member" shall mean a spouse of the Member, a parent or brother or sister of a Member and the Member's lineal descendants (and for the purposes aforesaid a stepchild or adopted child or illegitimate child of any person shall be deemed to be a lineal descendant of such person);

"family trust" means, in relation to a Member, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of:

(i) that Member or any of his immediate family members, or

(ii) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities)

and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Member or any of his immediate family members;

and the "settlor" is the Member who created the family trust.

"a member of the same group" means, in relation to a body corporate, any other body corporate which is for the time being a holding company of that body corporate or a subsidiary of that body corporate or a subsidiary of any holding company of which that body corporate is also a subsidiary; and

"permitted transfer" means any transfer of Shares permitted under this Article 8.

8.2 Transfers to Trustees

8.2.1 Subject to Article 8.2.2, any A Member and any Preferred Member who is an individual may at any time transfer Shares held by him to a person or persons shown to the reasonable satisfaction of the directors to be immediate family members of that Member or to trustees to be held under a family trust for that Member;

8.2.2 Where A Ordinary Shares or Preferred Shares are held by trustees under a family trust:

8.2.2.1 those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that family trust whose identity has been notified in writing to the directors;

8.2.2.2 those Shares may at any time be transferred by those trustees to the settlor of that trust provided that that settlor could have transferred them under this Article 8.2 if he had remained the holder of them; and

8.2.2.3 those Shares may at any time be transferred to any beneficiary who is an immediate family member of the settlor to whom a transfer could have been made by the settlor under Article 8.2.1; and

8.2.2.4 if any of those Shares cease to be held under a family trust (other than by virtue of a transfer made under Article 8.2.2.2 or 8.2.2.3), the trustees shall give a Transfer Notice in respect of all the Shares then held by those trustees within 20 Business Days of the Shares ceasing to be so held and Article 12 of these Articles shall apply accordingly.

8.3 Transfers of entire interest

A transfer of any Share pursuant to this Article 8 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such Share, free from any Encumbrance (save for any interest of beneficiaries under the relevant family trust, where applicable).

8.4 Transfers with Consent

A Members and Preferred Members may transfer their A Ordinary Shares and/or Preferred Shares to any person at any time with the prior written consent of all A Members.

8.5 Transfers to companies controlled by Members with consent

In the event that an A Member or a Preferred Member, with the prior consent of the other A Members, shall have transferred Shares to a company connected with that Member ("**the Transferee Company**") and that Member shall in the reasonable opinion of the directors cease to be connected with the Transferee Company, that Member shall at the request of the directors procure that the Transferee Company shall forthwith transfer all the Shares held by it to the relevant Member or another company connected with him for such consideration as they agree within twenty one days of the cessation of the Member being connected with the Transferee Company or failing such transfer within that period shall forthwith give a Transfer Notice in respect of all the Shares then held by the Transferee Company and Article 12 of these Articles shall apply accordingly.

9. **Voluntary Transfers**

9.1 Subject to Article 7.1, and without prejudice to Article 13, a Transferor shall, before transferring or agreeing to transfer any Share or any interest in any Share, serve notice in writing (a "**Transfer Notice**") on the Company of his wish to make that transfer unless the transfer is made pursuant to Article 8 (Permitted Transfers).

9.2 In the Transfer Notice, the Transferor shall specify:

- 9.2.1 the number of Shares which he wishes to transfer ("**Sale shares**");
- 9.2.2 the identity of the person (if any) to whom the Transferor wishes to transfer the Sale shares (the "**Proposed Transferee**");
- 9.2.3 the price per Share at which the Transferor wishes to transfer the Sale shares (the "**Proposed Sale Price**");
- 9.2.4 the other terms relating to the transfer of the Sale shares; and
- 9.2.5 whether the Transfer Notice is conditional upon all (and not part only) of the Sale shares being sold pursuant to the following provisions of this Article 9 (a "**Total Transfer Condition**").

9.3 Each Transfer Notice shall:

- 9.3.1 constitute the directors (excluding where relevant the Transferor) as the agent of the Transferor for the sale of the Sale shares on the terms of this Article 9;
- 9.3.2 be irrevocable save with the consent of the directors; and
- 9.3.3 be deemed to contain a Total Transfer Condition unless expressly stated otherwise.

- 9.4 Each Sale share shall be offered for purchase by the directors at the "**Sale Price**" which shall be:
- 9.4.1 the Proposed Sale Price or such other price as may be agreed between the Transferor and the directors; or
 - 9.4.2 in default of agreement under Article 9.4.1 within twenty Business Days after the date of service of the Transfer Notice, the lower of:
 - 9.4.2.1 the Proposed Sale Price; and
 - 9.4.2.2 the price per Share reported on by the Valuers at the directors' request as their written opinion of the open market value of each Sale share in accordance with Article 9.13 (the "**Market Value**") as at the date of service of the Transfer Notice.
- 9.5 The directors shall offer the Sale shares for purchase at the Sale Price by a written offer notice ("**Offer Notice**") to be served on all A Members other than the Transferor and on the Company (who may buy-back the Sale shares subject always to the Act) within five Business Days of the Transfer Notice.
- 9.6 An Offer Notice shall:
- 9.6.1 specify the Sale Price;
 - 9.6.2 expire fifteen Business Days after its service;
 - 9.6.3 contain the other details required to be included in the Transfer Notice; and
 - 9.6.4 invite the relevant A Members and the Company to apply in writing, before expiry of the Offer Notice, to purchase the numbers of Sale shares specified by them in their application.
- 9.7 After the expiry date of the Offer Notice (or, if earlier, upon valid applications being received from each of the A Members or the Company) the directors shall allocate the Sale shares in accordance with the applications received, subject to the other provisions of these Articles, save that:
- 9.7.1 if some or all of the Sale shares are B Ordinary Shares or Preferred Shares and there is an application from the Company for all or any of them, the number applied for by the Company shall be allocated to the Company;
 - 9.7.2 if some or all of the Sale shares are A Ordinary Shares and there is an application from the Company for all or any of them, such A Ordinary Shares shall only be allocated to the Company if and to the extent that the holders of all other A Ordinary Shares consent;
 - 9.7.3 if there are applications from A Members for more than the number of Sale shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Sale shares than the maximum number applied for by him) to the number of A Ordinary Shares then held by them respectively;
 - 9.7.4 if it is not possible to allocate any of the Sale shares without involving fractions, those fractions shall be aggregated and allocated amongst the applicants in such manner as the directors thinks fit; and
 - 9.7.5 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale shares shall be made unless all the Sale shares can be allocated.

- 9.8 The directors shall, within five Business Days of the expiry of the Offer Notice, give notice in writing (a "**Sale Notice**") to the Transferor and to each person to whom Sale shares have been allocated (each a "**Purchaser**") specifying the name and address of each Purchaser, the number of Sale shares allocated to him, the price payable for them, and the time for completion of each sale and purchase.
- 9.9 Completion of a sale and purchase of Sale shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than one week nor more than one month after the expiry of the Offer Notice, unless agreed otherwise in relation to any sale and purchase by the Transferor and the Purchaser(s) concerned) when the Transferor shall, upon payment to him of the Sale Price in respect of the Sale shares allocated to the Purchaser, transfer those Sale shares and deliver a duly executed stock transfer form in favour of the Purchaser and the relative share certificates to that Purchaser. Article 9.12 shall for the avoidance of doubt apply in the event a Transferor fails to transfer Shares when required.
- 9.10 Subject to Article 9.11 the Transferor may, during the three month period falling after the expiry of the Offer Notice, sell any Sale shares for which a Sale Notice has not been given by way of bona fide sale to the Proposed Transferee at any price per Sale share which is not less than the Sale Price, without any deduction, rebate or allowance to the Proposed Transferee provided that if the Transfer Notice contained a Total Transfer Condition, the Transferor shall not be entitled to sell only some of the Sale shares, save with the prior written consent of all the A Members.
- 9.11 Prior to making a sale of any Sale shares to the Proposed Transferee named in the Transfer Notice pursuant to Article 9.10, the Transferor shall give not less than ten Business Days' notice in writing of the proposed transfer (including the Sale Price per Sale share) to the Company ("**Final Transfer Notice**"). Within two Business Days of receipt of the Final Transfer Notice the directors shall furnish a copy of the Final Transfer Notice to all A Members other than the Transferor and if within five Business Days of service of the Final Transfer Notice on the Company, any A Member gives written notice ("**Final Offer Notice**") of his intention to the Company to acquire any of the Sale shares on the terms of the Final Transfer Notice and deposits with the Company the price specified in the Final Transfer Notice for the Sale shares he has stated he wishes to acquire, the Transferor shall not proceed with the transfer to the Proposed Transferee of Sale shares the subject of a Final Offer Notice, and shall, subject as follows, be bound to sell those Sale shares to any A Member serving a Final Offer Notice and making a deposit of the relevant aggregate price for the Sale shares with the Company.

For the purposes of this Article:

- 9.11.1 Articles 9.7.1 to 9.7.4 shall apply if the Company shall have received Final Offer Notices in respect of more Sale shares than are the subject of a Final Transfer Notice.
- 9.11.2 If the Transfer Notice contained a Total Transfer Condition then no Sale share shall be allocated under this Article 9.11 unless all the Sale shares can be allocated under the Final Offer Notice(s) but if all the Sale shares cannot be so allocated then the Transferor may proceed with the transfer of Sale shares to the Proposed Transferee.
- 9.11.3 On expiry of the period of five Business Days following service of the Final Transfer Notice, the Company, if it has received Final Offer Notices, shall notify the Transferor and each person to whom Sale shares have been allocated (each a "**Purchaser**") in writing of the name and address of each Purchaser, the number of Sale shares allocated to him, the price payable for them and the time of completion of each sale and purchase.

- 9.11.4 Completion of each sale and purchase of Sale shares pursuant to this Article 9.11 shall take place within two weeks of the service of the relevant Final Offer Notice at which time the Company shall pay the sale price deposited with it in respect of the relevant Sale shares to the Transferor and the Transferor shall deliver a duly executed stock transfer form in favour of the Purchaser and the relative share certificate to the Company.
- 9.11.5 Article 9.12 shall for the avoidance of doubt apply in the event a Transferor fails to transfer Shares when required under Article 9.11.
- 9.12 If a Transferor fails to transfer any Sale shares when required pursuant to these Articles, the directors may authorise any person (who shall be deemed to be the attorney of the Transferor for the purpose) to execute the necessary transfer of such Sale shares and deliver it on the Transferor's behalf. The Company may receive the purchase money for the Sale shares from the Purchaser and shall, upon receipt of the transfer duly stamped, register the Purchaser as the holder of those Sale shares. The Company shall hold the purchase money in a separate bank account on trust for the Transferor but shall not be bound to earn or pay interest on any money so held. The Company's receipt for the purchase money shall be a good discharge to the Purchaser (who shall not be concerned to see to the application of it) and, after the name of the Purchaser has been entered in the register of members in purported exercise of the power conferred by this Article, the validity of that exercise shall not be questioned by any person. If the Purchaser shall fail to deliver the purchase monies to the Transferor on the completion date the purchase monies shall bear interest at the Default Interest Rate calculated on a daily basis and compounded monthly.
- 9.13 If instructed to report on their opinion of Market Value, whether under Article 9.4.2, Article 12.6.2 or otherwise, the Valuers shall act as an expert and not as an arbitrator and their written determination shall be final and binding on the Members, save in the case of manifest error, and shall proceed on the following basis:
- 9.13.1 the Market Value of an Ordinary Share (whether an A or a B Ordinary Share) will be calculated by multiplying the Company's future maintainable earnings by a factor of 3.5, or such other factor as the A Members may in their absolute discretion unanimously determine, subtracting the Preferred Sum and dividing by the resulting value by the number of Ordinary Shares in issue;
- 9.13.2 the Company's future maintainable earnings shall be calculated on the basis of the profit before Tax adjusted to substitute market rates of remuneration for directors and employees for the actual rates and for such other matters as the Valuers consider appropriate;
- 9.13.3 the profit adjusted in accordance with Article 9.13.2 will be averaged for the previous two years;
- 9.13.4 in the case of:
- 9.13.4.1 A Ordinary Shares, there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale shares; and
- 9.13.4.2 B Ordinary Shares, taking full account of the rights and other restrictions attaching to the Sale shares including any discount by reference to the size of the holding the subject of the Transfer Notice and in relation to any restrictions on the transferability of the Sale shares; and
- 9.13.5 the value of a Preferred Share shall be the Preferred Sum divided by the number of Preferred Shares in issue.

9.14 The Company will use its best endeavours to procure that the Valuers deliver their written opinion of the Market Value to the directors and the Transferor within twenty Business Days of the directors electing to instruct them under Article 9.4.2, Article 12.6.2 or otherwise.

9.15 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as to one half by the Transferor and as to the other half by the Purchasers *pro rata* to the number of Sale shares purchased by them unless none of the Sale shares are purchased by the other A Members pursuant to this Article 9 when the Transferor shall pay all of the Valuer's fees.

10. Drag Along Rights

10.1 If one or more of the A Members (together the "**Selling shareholders**") wish to transfer any interest in shares where that transfer would result in a Change of Control, the Selling shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of shares to transfer all their shares to the Third Party Purchaser (or as the Third Party Purchaser shall direct) in accordance with this Article.

10.2 The Selling shareholders may exercise the Drag Along Option by giving notice to that effect (a "**Drag Along Notice**") to all other holders of shares (the "**Dragged shareholders**"). A Drag Along Notice shall specify that the Dragged shareholders are required to transfer all their shares (the "**Dragged shares**") pursuant to Article 10.1 of these Articles, the specified price at which the Dragged shares are to be transferred (calculated in accordance with Article 10.4) and give reasonable detail of the terms of the offer received by the Selling shareholders, and the proposed date of transfer. Where the Selling shareholders or any of them have served a Drag Along Notice no transfer of all or any of the Selling shareholders' shares may take place until on or after the fifth Business Day after agreement or determination of the specified price (as defined below).

10.3 Immediately upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of an option to acquire shares or other equity securities (as defined in section 94(1) of the Act) in the capital of the Company ("**New Member**"), a notice shall be deemed to have been served upon the New Member on the same terms as the previous notice(s) who shall thereupon be bound to sell and transfer all (but not some) of such shares acquired by him to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this Article 10 shall apply *mutatis mutandis* to the New Member save that completion of the sale of such shares shall take place forthwith at the discretion of the Third Party Purchaser upon the notice being deemed served on the New Member.

10.4 For the purposes of Article 10.2:

10.4.1 the expression "**specified price**" means

10.4.1.1 in the case of Preferred Shares a price per Preferred Share equal to the Preferred Sum divided by the number of Preferred Shares in issue; and

10.4.1.2 in the case of A and B Ordinary Shares the highest of:

10.4.1.2.1 a price per share equal to the highest price offered by the Third Party Purchaser to the Member or Members who have agreed to sell shares to him or who have executed a transfer in his favour plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the

- overall consideration paid or payable for the specified shares;
- 10.4.1.2.2 a price per share equal to the highest price paid or payable by the Third Party Purchaser and his Associates or persons acting in concert with him for any shares within the last six months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the specified shares; and
- 10.4.1.2.3 a price per share equal to the amount paid up or credited as paid up on the share concerned.
- 10.4.2 if any part of the specified price is payable otherwise than in cash any Member may require, as a condition of his acceptance of the offer made under this Article, to receive in cash on transfer all or any of the price offered for the shares sold by him pursuant to the offer.
- 10.4.3 if the specified price or its cash equivalent cannot be agreed within fifteen Business Days of the proposed sale, transfer or other disposition referred to in Article 10.1, it may be referred to the Valuers by any Member and, pending its determination, the sale, transfer or other disposition shall have no effect.
- 10.5 Completion of the sale of the Dragged shares under this Article 10 shall take place on the same date as the date proposed for completion of the sale of the Selling shareholders' shares unless:
- 10.5.1 all of the Dragged shareholders and the Selling shareholders agree otherwise; or
- 10.5.2 that date is less than five Business Days after the agreement or determination of the specified price, where it shall be deferred until the fifth Business Day after agreement or determination of the specified price.
- 10.6 The Dragged shareholders may prior to the fifth Business Day after agreement or determination of the specified price jointly serve a counter notice on the Selling shareholders ("**the Counter Notice**") requiring the Selling shareholders to transfer all their shares to the Dragged shareholders (and if more than one then to them in proportion to the number of shares then held by them respectively) at the specified price at which the Dragged shareholders would be required to sell their shares under the relevant Drag Along Notice but for the service of the Counter Notice ("**the Counter Price**").
- 10.7 A Member (whether a Dragged shareholder or a Selling shareholder) who sells shares under this Article 10 pursuant to a Drag Along Notice or Counter Notice shall not be required to give any warranties (other than as to his title to sell his shares free from Encumbrances) or indemnities to the purchaser of such shares.
- 10.8 Completion of the sale of the Selling shareholders' shares pursuant to a Counter Notice shall take place at any time prior to the 20th Business Day following service of the relevant Counter Notice and if the Dragged shareholders shall have failed by that date to tender, in cleared funds, the full Counter Price for those shares to the Selling shareholders, the relevant Counter Notice and all obligations thereunder will lapse and the relevant Drag Along Notice shall continue to have effect according to this Article 10 and shall bind the Dragged shareholders.

10.9 If completion of the sale of the Selling shareholders' shares under Article 10.8 shall have taken place prior to the 20th Business Day following service of the relevant Counter Notice with payment, in cleared funds, in full of the Counter Price for the Selling shareholders' shares to the Selling shareholders, then the relevant Drag Along Notice and all obligations thereunder will lapse.

10.10 Article 9.12 shall apply to any sale by Dragged shareholders or by Selling shareholders under this Article.

11. Tag Along Rights

11.1 If one or more of the Selling shareholders, as defined in Article 10.1 wish to transfer any interest in shares where that transfer would result in a Share Sale, the Selling shareholders shall procure that the Third Party Purchaser make an offer (the "**Tag Along Offer**") to all the other holders of shares to buy all their Shares in accordance with this Article 11.

11.2 The Tag Along Offer shall be given by written notice (the "**Tag Along Offer Notice**"), at least 15 clear Business Days (the "**Tag Along Offer Period**") before the proposed sale date (the "**Sale Date**"). To the extent not described in any accompanying documents, the Tag Along Offer Notice shall set out:

11.2.1 the identity of the Proposed Buyer;

11.2.2 the Sale Date;

and shall be at the specified price (as defined in Article 10.4).

11.3 If the Proposed Buyer fails to make the Tag Along Offer to all of the Members of the Company in accordance with this Article, the Transferor shall not be entitled to complete the sale and the Company shall not register any transfer intended to effect that sale.

11.4 If the Tag Along Offer is accepted by one or more of the Members (together, the "**Accepting Shareholder**") within the Tag Along Offer Period, the completion of the proposed transfer shall be conditional on completion of the purchase of all the Shares held by Accepting Shareholders.

12. Compulsory Transfers

12.1 In this Article 12, a "**Transfer Event**" means, in relation to any Member:

12.1.1 a Member who is an individual:

12.1.1.1 becoming bankrupt; or

12.1.1.2 dying; or

12.1.1.3 suffering from mental disorder and being admitted to hospital or becoming a patient for any purpose of any enactment relating to mental health; or

12.1.1.4 ceasing to be a director of the Company; or

12.1.1.5 ceasing to be an employee of the Company;

12.1.2 in relation to a family trust, the settlor of that trust:

12.1.2.1 becoming bankrupt; or

- 12.1.2.2 dying; or
 - 12.1.2.3 suffering from mental disorder and being admitted to hospital or becoming a patient for any purpose of any enactment relating to mental health; or
 - 12.1.2.4 ceasing to be a director of the Company; or
 - 12.1.2.5 ceasing to be an employee of the Company;
 - 12.1.3 a Member making any arrangement or composition with his creditors generally;
 - 12.1.4 a Member which is a body corporate:
 - 12.1.4.1 having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets; or
 - 12.1.4.2 having an administrator appointed in relation to it; or
 - 12.1.4.3 entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
 - 12.1.4.4 having any equivalent action taken in any jurisdiction;
 - 12.1.5 a Member or any family trust or the Transferee Company of that Member attempting to deal with or dispose of any Share or any interest in it otherwise than in accordance with Article 8 (Permitted Transfers), Article 9 (Voluntary Transfers) and this Article 12 (Compulsory Transfers) or in contravention of Article 13 (Prohibited Transfers) and the directors resolving within one month after becoming aware of it that such event is a Transfer Event in relation to that Member or those family trusts or the Transferee Company or all of them for the purposes of Article 12; and
 - 12.1.6 a Member not giving a Transfer Notice in respect of any shares or transfer of any shares (as the case may be) as required by Articles 8.2 or 8.5 and the directors resolving within one month after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of Article 12.
- 12.2 A **"Transfer Event"** will also arise where:
- 12.2.1 a former employee or director of the Company (or one of its subsidiaries) acquires Shares pursuant to an EMI Share Option Contract after leaving office or employment;
 - 12.2.2 the personal representatives of an employee or director of the Company (or one of its subsidiaries) acquires Shares pursuant to an EMI Share Option Contract;
- and in such cases the Transfer Event shall be deemed to occur on the date of the acquisition of the Shares.
- 12.3 A Transfer Event shall only be deemed to have happened for the purpose of this Article 12 if and at a time when a majority of the directors agrees in writing that in relation to any of the occurrences detailed at Article 12.1 and 12.2 a Transfer Event has occurred.
- 12.4 Notwithstanding Article 7.1, upon the happening of any Transfer Event, the Member in question and any other Member who has acquired shares from him under a permitted transfer under Article 8 (directly or by means of a series of two or more permitted transfers under Articles 8.2 or 8.4) shall be deemed to have immediately given a Transfer Notice in respect of

all the shares then held by them (a "**Deemed Transfer Notice**"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same shares except for shares which have then been validly transferred pursuant to that Transfer Notice.

- 12.5 Notwithstanding any other provision of these Articles, any Member holding shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those shares between the date of the relevant Deemed Transfer Notice and the expiry of one month after the date of the Sale Notice given in respect of those shares.
- 12.6 The shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with Article 9 as if they were Sale shares in respect of which a Transfer Notice had been given save that:
- 12.6.1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date of the first meeting of the directors at which details of the facts or circumstances giving rise to the Deemed Transfer Notice are tabled;
 - 12.6.2 subject always to Article 12.7, the Sale Price shall be based on a price per Sale share agreed between the Transferor and the directors or, in default of agreement within 15 Business Days after the date of the Transfer Event, the Market Value determined in accordance with Article 9.13;
 - 12.6.3 a Deemed Transfer Notice shall be deemed to contain a Total Transfer Condition and shall be irrevocable;
 - 12.6.4 the Sale shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those shares after that date; and
 - 12.6.5 Article 12.7 shall apply.
- 12.7 The Sale Price for any Sale shares which are the subject of a Deemed Transfer Notice shall be determined as follows:
- 12.7.1 in relation to the A Ordinary Shares:
 - 12.7.1.1 in the case of a Good Leaver, it shall be the price per Sale share agreed between the Transferor and the directors or, in default of agreement their Market Value as at the deemed date of service of the Deemed Transfer Notice;
 - 12.7.1.2 in the case of a Bad Leaver, it shall be 85% of their Market Value as at the deemed date of service of the Deemed Transfer Notice ("**the Minimum Price**"); and
 - 12.7.1.3 in the case of a Very Bad Leaver, it shall be 50% of their Market Value as at the deemed date of service of the Deemed Transfer Notice;
 - 12.7.2 in relation to B Ordinary Shares:
 - 12.7.2.1 in the case of a Transfer Event detailed in Articles 12.1.1.2, 12.1.1.3, 12.1.1.5 and 12.2.2 above, and provided the directors so determine, the Market Value of such Sale share as at the deemed date of service of the Deemed Transfer Notice or any other price per Sale share agreed between the Transferor and the directors; and

- 12.7.2.2 in any other case, the price paid or credited as paid by the B Member on subscription or issue of those shares or the Market Value whichever is lower.
- 12.7.3 A dispute as to whether Article 12.7.1.1, Article 12.7.1.2 or Article 12.7.1.3 applies to any Sale shares shall not affect the validity of a Deemed Transfer Notice but any person who acquires Sale shares pursuant to a Deemed Transfer Notice while such a dispute is continuing ("**Purchaser**") shall pay to the Transferor the Minimum Price and shall pay any difference between the Minimum Price and their Market Value to the Company. The Company shall hold that difference in a separate bank account as trustee to pay it, and any interest earned thereon, upon final determination of the dispute:
- 12.7.3.1 to the Purchaser in the case of a Bad Leaver or a Very Bad Leaver; and
- 12.7.3.2 to the Transferor in the case of a Good Leaver.
- 12.8 On a transfer of any shares in accordance with Article 12:
- 12.8.1 the Transferor shall repay all loans, loan capital, borrowings and indebtedness in the nature of borrowings outstanding to the Company from the Transferor (together with any accrued interest thereon); and
- 12.8.2 the Company (if and to the extent that by so doing it shall not contravene section 151 of the Act) or the Purchaser shall repay all loans, loan capital, borrowings and interest in the nature of borrowings outstanding to the Transferor from the Company (together with any accrued interest thereon).
- 12.9 Any Transfer of shares pursuant to Article 12 shall be made free from any Encumbrances whatsoever and with all rights attached to the shares.
13. **Prohibited Transfers**
- Notwithstanding any other provision of these Articles, no transfer of any Share shall be registered if it is to any infant, bankrupt, trustee in bankruptcy or person of unsound mind.
14. **Proceedings at general meetings**
- 14.1 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 Members holding A Ordinary Shares present in person or by proxy shall be a quorum for all purposes. A corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of section 375 of the Act. An A Member shall be entitled to appoint a proxy to count in quorum and vote on his behalf at general meetings of the Company.
- 14.2 Regulation 41 shall be modified by the insertion at the end of that Regulation of the following sentence: "If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then the Members present in person or by proxy shall be a quorum for the purposes of the meeting and if a quorum is still not present the meeting shall be dissolved".
- 14.3 Any Chairman of the board of directors from time to time shall also act as Chairman of any general meeting of the Members but, the Chairman of any meeting of the directors or any general meeting of the Members or of any committee of the directors shall not be entitled to a second or casting vote. Regulation 88 shall be modified accordingly.

15. Appointment and retirement of directors

The directors shall not be subject to retirement by rotation and accordingly Regulations 73 to 75 shall not apply and all other references in the Regulations to retirement by rotation shall be disregarded.

16. Nominated Director

- 16.1 The holder or holders of 25% or more in nominal value of the A Ordinary Shares shall have the right to appoint any one person (including themselves) as a director of the Company.
- 16.2 Any appointment pursuant to Article 16.1 shall be effected by notice in writing to the Company by the A Member and the A Member may in the same manner remove from office any director appointed by it pursuant to this Article and appoint any person in place of any director so removed.
- 16.3 A notice of appointment or removal of a director pursuant to this Article shall take effect upon lodgment at the Company's registered office or on delivery to a meeting of the directors or to the secretary.
- 16.4 Every director appointed pursuant to this Article shall hold office until he is either removed in the manner provided by this Article or dies or vacates office voluntarily and neither the Company in general meeting nor the directors shall have the power to remove the Nominated Director or to fill any such vacancy.
- 16.5 Any director appointed pursuant to this Article shall be at liberty from time to time to make such disclosure to his appointor as to the business and affairs of the Company and any subsidiaries of it as he shall in his absolute discretion determine.

17. Proceedings of directors

- 17.1 There shall be a maximum of four directors, subject to determination otherwise by the directors.
- 17.2 The directors may appoint a Chairman of the board or directors and may at any time remove him from that office. The Chairman shall not be required to be a director but if he is a director he shall not have a second or casting vote at any meeting of the directors.
- 17.3 No business shall be transacted at a meeting of the directors unless a quorum is present. The quorum shall be three directors. If at any duly convened meeting of the directors the meeting is not so quorate, the meeting shall be adjourned to the same day in the next week at the same time and place.
- 17.4 At any meeting of the directors each director present (whether in person or by proxy) shall have one vote.
- 17.5 A director who is in any way whether directly or indirectly interested in a transaction or arrangement or a proposed transaction or arrangement with the Company may vote in respect of any such transaction or arrangement or proposed transaction or arrangement or any matter arising thereout and if he does so vote his vote shall be counted and he shall be capable of constituting a quorum at any meeting of the directors at which any such transaction or arrangement or proposed transaction or arrangement shall come before the board of directors for consideration and may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof. Regulations 94 to 97 shall not apply.

18. Alternate Directors

- 18.1 Each director (other than an alternate director) shall have the power at any time to appoint as an alternate director either another director or any other person approved for that purpose by a resolution of the directors and, at any time, to terminate such appointment. Any such appointment or termination of appointment shall be in writing signed by the appointor and shall only take effect upon lodgment thereof at the registered office of the Company or on delivery to a meeting of the directors or upon delivery to the secretary.
- 18.2 An alternate director as appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to directors. An alternate director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.
- 18.3 An alternate director shall (subject to his giving to the Company address at which notices may be served upon him) be entitled to receive notices of all meetings of the directors and of any committee of the directors of which his appointor is a Member and to attend and vote as a director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as a director of his appointor and to receive notice of all General Meetings.
- 18.4 The appointment of an alternate director shall automatically determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor shall cease for any reason to be a director otherwise than by retiring and being re-appointed at the same meeting.
- 18.5 A director or any other person may act as alternate director to represent more than one director and an alternate director shall be entitled at meetings of the directors or any committee of the directors to one vote for every director who 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.
- 18.6 Regulations 65 to 69 inclusive shall not apply to the Company.

19. Directors Meetings

- 19.1 A person in communication by electronic means with the Chairman and with all other parties to a meeting of the directors or of a committee of the directors shall be regarded for all purposes as personally attending such a meeting provided that but only for as long as at such a meeting he has the ability to communicate interactively and simultaneously with all other parties attending the meeting including all persons attending by electronic means.
- 19.2 A meeting at which one or more of the directors attends by electronic means is deemed to be held at such place as the directors shall at the said meeting resolve. In the absence of a resolution as aforesaid, the meeting shall be deemed to be held at the place, if any, where a majority of the directors attending the meeting are physically present, or in default of such a majority, the place at which the Chairman of the meeting is physically present.
- 19.3 In this Article "electronic" means actuated by electric, magnetic, electro-magnetic, electro-chemical or electro-mechanical energy and "by electronic means" means by any manner only capable of being so actuated.

20. Disqualification of Directors

- 20.1 The office of a director shall be vacated if:

- 20.1.1 he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
 - 20.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - 20.1.3 he becomes incapable by reason of mental disorder, illness or injury of managing and administering his property and affairs; or
 - 20.1.4 he resigns his office by notice to the Company; or
 - 20.1.5 he shall commit any criminal offence (other than under the Road Traffic Acts not punishable by a term of imprisonment); or
 - 20.1.6 if he is a full time employee of the Company and a Transfer Event (as defined in Article 12.1) occurs in relation to him.
- 20.2 Regulation 81 shall not apply to the Company.

21. Notices

- 21.1 Without prejudice to Regulations 112 to 116 inclusive in Table A the Company may give notice to a Member by electronic means provided that:
- 21.1.1 the Member has given his consent in writing to receiving notice communicated by electronic means and in such consent has set out an address to which the notice shall be sent by electronic means; and
 - 21.1.2 the electronic means used by the Company enables the Member concerned to read the text of the notice.
- 21.2 A notice given to a Member personally or in a form permitted by Article 21.1 above shall be deemed to be given on the earlier of the day on which it is delivered personally and the day on which it was despatched by electronic means, as the case may be.
- 21.3 Regulation 115 in Table A shall not apply to a notice delivered personally or in a form permitted by Article 21.1 above.
- 21.4 In this Article "electronic" means actuated by electric, magnetic, electro-magnetic, electro-chemical or electro-mechanical and "by electronic means" means by any manner only capable of being so actuated.

22. Indemnity and Insurance

- 22.1 Subject to the provisions of and so far as may be permitted by law, every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto, including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court. Regulation 118 shall not apply.
- 22.2 The Company may purchase and maintain for any officer or auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him

in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.