



No 4559738

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION
of
PARALLEL VENTURES HOLDINGS LIMITED

We, the undersigned, being all of the members of the above-named Company entitled to attend and vote on such resolutions at a general meeting of the Company, hereby pass the resolution set out below, as a written resolution having effect as a special resolution in accordance with Section 381A Companies Act 1985:-

IT IS RESOLVED THAT:-

the Regulations contained in the printed document marked "A" attached hereto 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 all the existing Articles of Association of the Company.

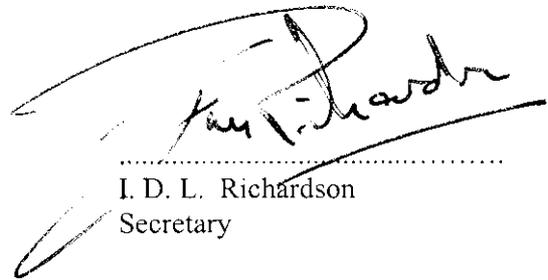
Timothy Robin Vos
(as trustee of the
Paul Whitney FURBS)

Mark Baldwin
(as trustee of the
Paul Whitney FURBS)

PARALLEL VENTURES HOLDINGS LIMITED

Secretary's Certificate

I, IAN DAVID LEA RICHARDSON, Secretary of PARALLEL VENTURES HOLDINGS LIMITED (the "Company") hereby certify that the document attached marked "A" is a true copy of the Articles of Association of the Company.



.....
I. D. L. Richardson
Secretary

Date: 11 February 2003

THE COMPANIES ACTS 1985

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

- of -

PARALLEL VENTURES HOLDINGS LIMITED

ADOPTED BY WRITTEN RESOLUTION

Passed on **//** February 2003

Macfarlanes
10 Norwich Street
London EC4A 1BD

MHL/572217/1987376.8
3 February 2003
Completion Draft

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

- of -

PARALLEL VENTURES HOLDINGS LIMITED

(Adopted by Written Resolution passed on February 2003)

1 **Preliminary**

1.1 **Definitions**

In these Articles:

Act: means, subject to paragraph 1.3 of this Article, the Companies Act 1985;

A Director: means a director appointed by the A Ordinary Shareholders and holding office pursuant to Article 19;

the Agreement: means the shareholders agreement of even date with the date of adoption of these Articles made between the Company (1), Timothy Robin Vos and Mark Baldwin as trustees of the Paul Whitney FURBS (2) E D & F Man Group Limited (3) and Paul Whitney (4), as the same may be supplemented, varied or amended hereafter;

A Ordinary Share: means an A ordinary share of £1 in the capital of the Company;

A Ordinary Shareholder: means a registered holder of an A Ordinary Share;

Articles: means these articles of association, as from time to time altered;

Auditors: means the auditors of the Company from time to time;

Beneficial Shareholder: means the person beneficially entitled to Ordinary Shares held by a nominee or bare trustee on his behalf;

Business Day: means a day (excluding Saturdays) on which banks are open for business in the City of London;

Board: means the board of directors of the Company, as from time to time constituted;

B Ordinary Share: means a B ordinary share of £1 in the capital of the Company;

B Ordinary Shareholder: means a registered holder of a B Ordinary Share;

Business: means the business carried on by the Company;

company: includes any body corporate;

Concert Party: means any person with which any relevant person is acting in concert within the meaning of the City Code on Takeovers and Mergers or would be so acting in concert if the City Code on Takeovers and Mergers applied in the relevant case;

Connected Person: means any person with which any relevant person is connected (as determined in accordance with the provisions of section 839 of the Income and Corporation Taxes Act 1988);

Controlling Interest: means the legal or beneficial ownership by a person and his Connected Persons of shares having the right to exercise more than 50 per cent of the votes at a general meeting of the Company;

Default Transfer Notice: has the meaning given in Article 12;

ESOP: means any employee share ownership scheme established by the Company or by any Member of the Same Group;

Event of Default: means, in respect of any Ordinary Shareholder (other than one holding as a trustee of a Family Trust or a FURBS or an ESOP or as a bare trustee):-

- (a) any step taken (and not withdrawn within thirty days) to appoint a, receiver, administrative receiver, administrator, trustee in bankruptcy or other similar officer in respect of such Ordinary Shareholder or any holding company of such Ordinary Shareholder, or any assets which include either (i) (in the case of an Ordinary Shareholder) the Ordinary Shares held by that Ordinary Shareholder or (ii) (in the case of any holding company of an Ordinary Shareholder) any shares in that holding company;
- (b) any Ordinary Shareholder or holding company of an Ordinary Shareholder convenes a meeting with its creditors or makes or proposes any arrangement or composition with, or any assignment for the benefit of, its creditors;

Executive: means an employee of the Company or a subsidiary of the Company;

Family Trust: means, as regards any individual person or deceased individual, a trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of the individual and by virtue of which no voting or other rights attaching thereto are or may become liable to be exercisable by or as directed by or subject to the consent of any person other than the individual and Privileged Relations of the individual or the trustees as trustees of such trust;

FURBS: means any funded unapproved retirement benefit scheme relating to an Executive;

Group: means the Company and its subsidiaries from time to time;

holding company: means a holding company as defined in section 736 and section 736A of the Act;

Independent Expert: means an umpire (acting as an expert and not as an arbitrator) *nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales;*

Member of the Same Group: means, in relation to any company, any of its subsidiaries or a company which is for the time being the ultimate holding company of such company or a subsidiary of any such holding company;

Ordinary Shares: means A Ordinary Shares and/or B Ordinary Shares as the context permits;

Ordinary Shareholder: means a registered holder of Ordinary Shares;

Privileged Relation: means as regards any individual, deceased individual member, the spouse or the widower or widow or brother or sister of the individual, the parents of the individual or the lineal descendants of the individual and a spouse or widower or widow of any of the above persons and for such purposes a stepchild or adopted child or illegitimate child of any person shall be deemed to be a lineal descendent of such persons;

Selling Shareholder(s): the meaning set out in Article 13;

the Specified Price: means, for the purpose of Article 13, the consideration (in cash or otherwise) per share equal to that offered or paid or payable by a proposed transferee or any transferees or his or their nominees for any shares in the Company plus 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 an addition to the price paid or payable for such shares, provided that if any part of the price per share is payable otherwise than in cash or in securities quoted on the Official List of the London Stock Exchange plc the holders of the Ordinary Shares may at their option elect to have the whole of the consideration due to them payable in cash.

Notwithstanding any other provision set out in this definition of "Specified Price", the Specified Price shall not be less than the fair selling value for the shares in question. If there is any disagreement between the parties as to the value of consideration offered, *(other than cash or securities quoted as aforesaid)* or as to whether or not the price offered is less than the fair selling value, the matter will be referred to an Independent Expert for determination in the same manner as provided by Article 11.7 and the determination of such Independent Expert as to the matter in dispute shall be final and binding on all parties save in the event of manifest error in which case the error shall be rectified immediately.

subsidiary: means a subsidiary as defined in section 736 and section 736A of the Act;

Table A: means Table A in the Companies (Tables A to F) Regulations 1985 in force at the date of adoption of these Articles;

Third Party Purchaser: means an independent third party acting in good faith who is not already a member of the Company, a Concert Party or Connected Person of a Selling Shareholder or a person to whom a Selling Shareholder is permitted to transfer shares without a Transfer Notice pursuant to Article 10.2.1 to 10.2.6 (inclusive);

Transfer Notice: has the meaning given in Article 11.

1.2 **Same meanings as in the Act**

Save as provided in Article 1.1 and unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act.

1.3 **Statutory modification**

In these Articles, unless expressly provided to the contrary, a reference to any statute or provision of a statute includes a reference to any statutory modification or re-enactment of it and to any subordinate legislation made under it in each case for the time being in force.

1.4 **Number, gender and person**

In these Articles, unless the context otherwise requires:

1.4.1 words in the singular include the plural, and vice versa;

1.4.2 words importing any gender include all genders; and

1.4.3 a reference to a person includes a reference to a company and to an unincorporated body of persons.

1.5 **Miscellaneous interpretation**

In these Articles:

1.5.1 references to writing include references to typewriting, printing, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form;

1.5.2 references to "executed" includes any mode of execution;

1.5.3 references to "other" and "otherwise" shall not be construed eiusdem generis where a wider construction is possible;

1.5.4 references to a power are to a power of any kind, whether administrative, discretionary or otherwise;

1.5.5 references to a committee of the directors are to a committee established in accordance with these Articles, whether or not comprised wholly of directors; and

1.5.6 references to "designation" in the context of Ordinary Shareholders or directors are to A or B Ordinary Shareholders or to A or B Directors, as appropriate.

1.6 **Headings**

Headings are inserted for convenience only and do not affect the construction of these Articles.

1.7 **Articles and Regulations**

In these Articles a reference to an Article is to a clause of these Articles and a reference to a Regulation is to a regulation in Table A.

2 **Table A**

The Regulations contained in Table A shall apply to the Company save insofar as they are varied or excluded by or are inconsistent with these Articles. Regulations 40, 50, 54, 62, 64 to 69 (inclusive), 72, 73 to 77 (inclusive), 78, 80, 81, 84, 88, 89, 93, 94, 95 and 118 in Table A shall not apply to the Company.

3 **Share Capital**

The issued and authorised share capital of the Company on the date of adoption of these Articles is £40,000 divided into 10,000 A Ordinary Shares and 30,000 B Ordinary Shares.

4 **Classes Of Shares**

The shares of each class of shares shall entitle the holders thereof to the respective rights and privileges and subject them to the respective restrictions and provisions hereinafter appearing. The A Ordinary Shares and the B Ordinary Shares shall, except where otherwise provided herein, confer upon the holders thereof the same rights.

5 **Rights Attaching To Ordinary Shares**

Subject to any special rights which may be attached to any class of shares issued after the date of adoption of these Articles the rights attaching to the Ordinary Shares are as follows:

5.1 **Capital**

On a return of assets on liquidation or other return of capital, the assets of the Company available for distribution among the members after payment of all other debts and liabilities of the Company shall be applied first in paying to the Ordinary Shareholders a sum equal to the nominal amount of each Ordinary Share held by them and the balance of such assets (if any) shall be distributed amongst the Ordinary Shareholders, pro rata (as nearly as may be) according to the nominal amounts paid up or credited as paid up on the Ordinary Shares held by them respectively.

5.2 **Income**

Subject to the provisions of these Articles and the Agreement, the profits of the Company available for distribution and resolved to be distributed in respect of any financial year shall be distributed among the Ordinary Shareholders. Unless otherwise authorised by such consent of each class of Ordinary Shareholders as is

required for a variation of their respective class rights, every dividend shall be distributed to the Ordinary Shareholders pro rata (as nearly as may be) according to the number of the Ordinary Shares held by them respectively.

5.3 **Voting**

Subject to any special rights, privileges or restrictions attached to any Ordinary Shares, at a general meeting of the Company on a show of hands every Ordinary Shareholder who (being an individual) is present in person or by proxy (not being himself a member) or (being a corporation) is present by a representative duly authorised under section 375 of the Act (not being himself a member) shall have one vote, and on a poll every Ordinary Shareholder present in person, by representative or by proxy shall have one vote for every Ordinary Share of which he is the registered holder and which is fully paid up or credited as fully paid.

6 **Class Rights Of A Ordinary Shares**

Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may not be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, without the consent in writing of the holders of 75% of the issued shares of that class. Without prejudice to the generality of this article, the special rights attached to the A Ordinary Shares and the B Ordinary Shares shall be deemed to be varied:-

- 6.1 by any alteration to the Memorandum or Articles of Association of the Company or any act, matter or omission in breach of, or contrary to, the provisions of the Memorandum or Articles of Association of the Company;
- 6.2 by any consolidation or re-denomination of any shares of the Company into larger nominal amounts or any sub-division of the share capital of the Company into smaller nominal amounts other than any consolidation or sub-division affecting all existing shares in the same way;
- 6.3 by the redemption or purchase by the Company of any share or the reduction of the share capital, or any uncalled or unpaid liability in respect thereof, capital redemption reserve or share premium account of the Company or the passing of any resolution authorising any of the foregoing;
- 6.4 by the grant of any right to acquire or call for the issue of any shares in any member of the Group (other than the Company) by conversion, subscription or otherwise or any issue of shares in any member of the Group (other than the Company) otherwise than pro rata to the existing shareholders thereof; and
- 6.5 by the implementation of any compromise or arrangement within the meaning of section 425 of the Act or any arrangement pursuant to which any member of the Group is to make a distribution of the kind described in section 213 of the Income and Corporation Taxes Act 1988.

7 **Issue of Shares**

7.1 **Pre-emption on issue**

Subject to this Article and to the provisions of Section 80 of the Act, the unissued shares capital of the Company immediately after the adoption of these Articles shall

be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper. Any shares in the capital of the Company which are unissued from time to time shall be available for issue only as Ordinary Shares and shall before they are issued whether for cash or otherwise be offered to the Ordinary Shareholders in proportion, as nearly as may be, to their holdings of Ordinary Shares.

7.2 **Procedure for offering**

7.2.1 The offer referred to in Article 7.1 shall be made by notice specifying the number of Ordinary Shares offered, the proportionate entitlement of the relevant member, the price per share and limiting a period (not being less than 21 days) within which the offer, if not accepted, will be deemed to be declined.

7.2.2 The holders of Ordinary Shares who accept all the equity securities offered to them (“**acceptors**”) shall be entitled to indicate whether they would accept shares not accepted by other offerees, and any such shares shall be allotted to such acceptors in proportion to their respective holdings of Ordinary Shares, but so that no acceptor shall be required to accept more shares than he applied for.

7.3 **Allotment of shares after offers**

At the expiration of the time limited by the notice or notices given pursuant to Article 7.2 the directors shall allot the Ordinary Shares so offered to or amongst the members who have notified their willingness to take all or any of such Ordinary Shares in accordance with the terms of the relevant offer. The directors shall make such arrangements as they shall think fit concerning entitlements to fractions, overseas shareholders and shareholders unable by law or regulation to receive or accept any offer pursuant to this Article.

7.4 **Issue other than to members**

No Ordinary Shares may be allotted or issued to any person who is not immediately prior to such allotment or issue an Ordinary Shareholder unless within one month before such allotment or issue in accordance with Article 7.3 above the Ordinary Shareholders have unanimously consented in writing to the allotment and to its terms and to the allottee.

7.5 **Disapplication of statutory pre-emption provisions**

Sections 89 and 90 of the Act shall not apply to the allotment of equity securities by the Company.

7.6 **No renunciation of allotment**

No Ordinary Shares shall be allotted on terms that the right to take up the Ordinary Shares allotted may be renounced in favour of, or assigned to, another person and no person entitled to allotment of an Ordinary Share may direct that such share may be allotted or issued to any other person.

7.7 **Rights and restrictions**

In Regulation 2 the words “ordinary resolution” shall be omitted and the words “special resolution” shall be substituted for them.

7.8 **Designation of shares**

Any Ordinary Share issued pursuant to Article 7.3 to a member by reference to his holding of Ordinary Shares shall on issue be designated an Ordinary Share of the same class as the holding by reference to which such Ordinary Share is issued.

7.9 **Waiver or variation**

With the prior written approval of all the Ordinary Shareholders, any of the restrictions or other provisions of this Article may be waived or varied by the directors at a meeting of the Board in relation to any proposed issue of shares.

8 **Lien and Forfeiture**

8.1 **Lien to attach to all shares**

In Regulation 8 of Table A the words "(not being a fully paid share)" shall be omitted. The lien conferred by Regulation 8 of Table A shall attach to all shares registered in the name of any person indebted or under liability to the Company (or in the name of the nominee or bare trustee for any such person) whether he is the sole registered holder thereof or one of two or more joint holders and shall include a lien in respect of any such indebtedness or liability. Regulation 8 shall be modified accordingly.

8.2 **Pre-emption on enforcement**

All shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with Article 8 as if they were unissued shares of the Company. Regulations 9 and 20 of Table A shall be modified accordingly.

9 **General Provisions Concerning Transfers of Shares**

9.1 **General restriction on transfer**

The right to transfer Ordinary Shares shall be subject to the rights and restrictions set out in Articles 9 to 13 inclusive and no Ordinary Share nor any interest therein shall be transferred to or become vested in any person otherwise than in accordance with such provisions.

9.2 **Disposal of whole interest only**

Save as permitted pursuant to these Articles no transfer, disposal, charge, mortgage, assignment or other dealing in any Ordinary Share or any interest or right therein shall occur other than the transfer of the whole legal and equitable title to such Ordinary Share free from all liens, charges and encumbrances and with all rights, title and interest in existence at the date of transfer together with all rights which may arise in respect thereof thereafter (and "transfer", in the context of a transfer of Ordinary Shares, shall be construed accordingly in these Articles).

9.3 **Attempted disposal of interest in shares**

Except for the purposes of seeking offers of the type contemplated by Article 11.2, if a member at any time attempts to deal with, or dispose of, an Ordinary Share or any interest therein or right attaching thereto otherwise than in accordance with the

provisions of these Articles he shall be deemed immediately prior to such attempt to have given a Default Transfer Notice in respect of such shares.

9.4 **Reasons for declining to approve a transfer**

Subject only to Regulation 24 the directors shall not be entitled to decline to register the transfer of any Ordinary Shares made pursuant to and complying with the provisions of Articles 9 to 13 inclusive unless they have substantial reasons for believing that a transfer purportedly made in accordance with any such provision is not in fact in any material respect in accordance therewith in which event they shall decline to register such transfer.

9.5 **Provision of information - transfer of Ordinary Shares**

For the purpose of ensuring that a transfer of Ordinary Shares is in accordance with these Articles and duly authorised hereunder or that no circumstances have arisen whereby a Transfer Notice is or may be deemed to have been given hereunder or for the purpose of ascertaining when a Transfer Notice is or may be deemed to have been given hereunder or for the purpose of ascertaining whether any relevant provisions of these Articles apply, the directors may require any member, the representative of any member appointed pursuant to section 375 of the Act, the receiver, administrator, administrative receiver or the liquidator of any corporate member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the directors shall think fit regarding any matter which they may deem relevant to such purpose.

Failing such information or evidence being furnished to the reasonable satisfaction of the directors within a reasonable time after request the directors shall refuse to register the transfer in question or (in a case where it is determined that a transfer is required by these Articles) shall give notice in writing of such fact to all Ordinary Shareholders and the provisions of Article 11 shall apply.

9.6 **Member to notify**

If an Ordinary Shareholder becomes aware of any Event of Default or any event whereupon a Default Transfer Notice shall be deemed to be given, he shall forthwith give notice thereof to the directors and to the other Ordinary Shareholders.

9.7 **Re-designation of Ordinary Shares**

Whenever an A Ordinary Share or B Ordinary Share is transferred to a member holding only shares of another class of Ordinary Shares such first mentioned share shall upon registration of the transfer be converted into and re-designated as a share of such other class and any share certificate issued to the transferee shall take account of such conversion and re-designation.

9.8 **Completion of Share Purchase**

Completion of the purchase of any Ordinary Shares transferred pursuant to these Articles shall, unless otherwise agreed by the parties to any such transfer, take place on the date which falls fourteen days after the last date upon which the relevant offer may be accepted.

9.9 **Waiver or variation**

With the prior approval of the A Ordinary Shareholders, any of the restrictions or other provisions of Articles 7 to 12 inclusive may be waived or varied by the directors in relation to any proposed transfer of shares or any other matter.

10 **Permitted Transfers**

10.1 **Interpretation**

For the purposes of this Article:

10.1.1 **Transferor Company:** means a company (other than a Transferee Company) which has transferred or proposes to transfer shares to a Member of the Same Group (and in the case of a series of transfers the relevant Transferor Company for the purposes of determining whether any company shall be or shall have ceased to be a Member of the Same Group shall be the first transferor in such series);

10.1.2 **Transferee Company:** means a company for the time being holding shares in consequence, directly or indirectly, of a transfer or series of transfers of shares between Members of the Same Group; and

10.1.3 **Relevant Shares:** means (so far as the same remain for the time being held by any Privileged Relation or the trustees of any Family Trust or by any Permitted Trust Company (as defined in Article 10.2.4) or by any Transferee Company or by any nominee or bare trustee) the shares originally acquired by such Privileged Relation or trustees or Permitted Trust Company or Transferee Company or nominee or bare trustee and any additional shares issued to such Privileged Relation or trustees or Permitted Trust Company or Transferee Company or nominee or their trustee by way of capitalisation, subdivision or consolidation or acquired by such person in exercise of any right or option granted or arising by virtue of the holding of the Relevant Shares or any of them or the membership thereby conferred.

10.2 **Permitted Transfers**

Ordinary Shares may at any time be transferred without the giving of a Transfer Notice under Article 11.1 where the transfer is agreed pursuant to an agreement between all the Ordinary Shareholders from time to time or is demonstrated to the reasonable satisfaction of the Board to be:

10.2.1 by any individual member (not being in relation to the shares concerned a holder thereof as a trustee or a nominee) to a Privileged Relation of such member; or

10.2.2 by any individual member (not being in relation to the shares concerned a holder thereof as a trustee or a nominee) to trustees to be held upon a Family Trust related to such individual member; or

10.2.3 by any member to trustees of a FURBS established for the benefit of Paul Whitney or to trustees of any ESOP for the benefit of all or any of the employees of the Company; or

10.2.4 by any individual member (not being in relation to the shares concerned a holder thereof as a trustee or a nominee) to a company (whether or not incorporated in the United Kingdom) the entire issued share capital of which is held by such member or

the trustee or trustees of one or more Family Trusts of such member together with Privileged Relations of such individual and the trustee or trustees of not more than one other discretionary trust entitled only to the assets of such company only upon its winding-up (a "Permitted Trust Company");

10.2.5 by any member being a company (not being in relation to the shares concerned a holder thereof as a trustee or a nominee) to a Member of the Same Group as the Transferor Company;

10.2.6 (subject to Article 12) to any person entitled to shares in consequence of the death of an individual member to any person to whom such individual member, if not dead, would be permitted hereunder to transfer the same;

10.2.7 to any person with the prior written consent of holders of Ordinary Shares entitled to cast 95% of the votes exercisable on a poll at a general meeting of the Company.

10.3 **Family Trusts**

Where Ordinary Shares are held by trustees of a Family Trust or trustees of a FURBS or an ESOP, the trustees and their successors in office may (subject to the provisions of Article 10.4) transfer all or any of the Ordinary Shares without the giving of a notice under Article 11.1 as follows:

10.3.1 to the trustees for the time being of the Family Trust, FURBS or ESOP, as applicable, on any change of trustees; or

10.3.2 to the trustees for the time being of any other trust being a Family Trust in relation to the same individual or deceased individual;

10.3.3 to the relevant member or former member who made the original transfer permitted pursuant to Article 10.2 or as the case may be to the relevant individual beneficiary of the FURBS or in either case to any Privileged Relation of such relevant member or deceased or former member or individual; or

10.3.4 *in the case of an ESOP to the relevant employee participant in the ESOP.*

It shall be the duty of such trustees, member or Privileged Relation holding such shares as a result of such transfer to notify the directors in writing that such transfer has occurred.

10.4 **Cessation of Permitted Transfer Relationship**

If following any transfer of Ordinary Shares permitted pursuant to this Article:

10.4.1 any person to whom Ordinary Shares are transferred as a Privileged Relation ceases to be Privileged Relation of the relevant individual; or

10.4.2 any of the Ordinary Shares come to be held otherwise than upon a Family Trust or FURBS related to the relevant individual; or

10.4.3 any Permitted Trust Company ceases to be such a company by virtue of any change in the ownership of its share capital or any of the Ordinary Shares ceases to be held by a Permitted Trust Company otherwise and pursuant to a transfer to the trustees of a Family Trust related to the relevant individual or to that individual or to any Privileged Relation of such individual; or

10.4.4 a Transferee Company ceases to be a Member of the Same Group as the Transferor Company;

in each case other than as permitted by or in accordance with the provisions of these Articles it shall be the duty of the relevant member and the former holder of the Ordinary Shares to notify the directors in writing that such event has occurred. Within three months of service of such notice or the date on which the Board otherwise becomes aware that such event has occurred (unless the Ordinary Shares are transferred within six weeks of the occurrence of such event to the relevant member or former member or to any person to whom the transfer of shares by such relevant member or former member would be permitted pursuant to this Article, any such transfer being deemed to be authorised under the foregoing provisions of this Article) the directors shall be entitled to determine that the former trustees, the former Privileged Relation, the former Permitted Trustee Company, the Transferee Company or the former nominee or bare trustee (as the case may be) shall be deemed to have given a Transfer Notice in respect of the Relevant Shares.

11 **Pre-Emption Rights**

11.1 **Transfer Notice**

Before transferring any Ordinary Shares (except where such transfer is pursuant to a Default Transfer Notice or a permitted transfer pursuant to Article 10) the person proposing to transfer the same (the "Proposing Transferor") shall give notice in writing ("Transfer Notice" (which expression shall, unless the context otherwise requires, include a Default Transfer Notice)) to the Company that he proposes to transfer such Ordinary Shares (the "Sale Shares") and, in the event that the Proposing Transferor shall have reached an agreement or an arrangement with a third party for the sale of the Sale Shares to such third party, the Proposing Transferor shall state in the Transfer Notice the name of such third party, the price per share at which the Sale Shares are to be sold to such third party and all other material terms of the proposed transfer. The Transfer Notice shall constitute the Company (by the Board) his agent for the transfer of the Sale Shares at the Prescribed Price referred to below and during the period expiring three months after the giving of the Transfer Notice or ten weeks after the agreeing or determination of the Prescribed Price, whichever shall be the later (the "Prescribed Period"), in accordance with the following provisions of this Article. Save as hereafter provided, a Transfer Notice once given or required to be given or deemed to have been given shall not be revocable. A Transfer Notice (other than a Default Transfer Notice) may contain a provision that unless all or a specified number of the Sale Shares are sold at the Prescribed Price within the Prescribed Period pursuant to this Article the Transfer Notice shall be withdrawn and any such provision shall be binding on the Company. Where any Transfer Notice is required or deemed to have been given in accordance with Article 10.4 [other?], the deemed Transfer Notice shall be treated as having specified that all of the Ordinary Shares registered in the name of the Proposed Transferor shall be included for transfer.

11.2 **Offer of Sale Shares**

11.2.1 The Sale Shares shall, within 14 days of the date the Transfer Notice is received by the Company or is deemed to have been given or within seven days after the Prescribed Price shall have been agreed or determined as hereinafter provided, whichever shall be the later, be offered by the Company in writing for purchase at the

Prescribed Price (and a copy of each such offer shall be sent at the same time to all Ordinary Shareholders).

11.2.2 Such offer shall first be made:

11.2.2.1 in the case of A Ordinary Shares to all the other (if any) A Ordinary Shareholders; and

11.2.2.2 in the case of B Ordinary Shares to all the other (if any) B Ordinary Shareholders.

11.2.3 To the extent that any such offer is not accepted in whole or in part, or if no such offer is necessary, the remaining Sale Shares shall thereafter be offered by the Company at the Prescribed Price, within the later of seven days of the Prescribed Price having been determined or agreed as hereinafter provided and seven days of the closing of the initial offer, to all the other Ordinary Shareholders.

11.2.4 Each such offer shall specify a time (not being less than 21 days in the case of an initial offer and 14 days in the case of a subsequent offer) within which it must be accepted failing which it will lapse.

11.2.5 In the case of competition in respect of any such offer the Sale Shares so offered shall be allocated to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by him) to their existing holding of the relevant class or classes of shares.

11.3 **Notification of Purchasers**

If the directors shall within the Prescribed Period find members (each such person called a "Purchaser") to purchase the Sale Shares or any of them and give notice in writing thereof to the Proposing Transferor he shall be bound, upon payment of the Prescribed Price, to transfer such of the Sale Shares to the respective Purchasers. If the Transfer Notice stated that the Proposing Transferor was not willing to transfer part only of the Sale Shares or less than a specified number of such Sale Shares, the obligation in this Article to transfer shall not apply unless the directors shall have found Purchasers for the whole of the Sale Shares or not less than such specified number. Every such notice from the directors shall state the name and address of the Purchaser concerned and the number of shares agreed to be purchased by him. The purchase shall be completed as soon as reasonably practicable at a place and time to be appointed by the directors when, against payment of the Prescribed Price and any relevant stamp duties, the Proposing Transferor shall deliver transfers in favour of the Purchasers together with the share certificates in respect of the relevant Sale Shares and the Purchasers shall be registered as the holders of the relevant Sale Shares in the register of members of the Company and share certificates in the names of such Purchasers and in respect of the relevant Sale Shares shall be delivered.

11.4 **Failure to transfer**

If in any case a Proposing Transferor, after having become bound to transfer any Shares to a Purchaser, shall make default in so doing or shall fail to deliver share certificates in respect thereof, the directors may authorise some person to execute and deliver on his behalf any necessary transfer in favour of the Purchaser and shall receive the purchase money and shall thereupon (subject to the transfer being duly stamped) cause the name of the Purchaser to be entered into the register of members as the holder of the relevant shares. The Company shall hold the purchase money in

trust for the Proposing Transferor but shall not be bound to earn or pay interest thereon. The receipt of the Company for the purchase money shall be a good discharge to the Purchaser who shall not be bound to see to the application thereof and after the name of the Purchaser has been entered in the register of members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

11.5 Purchasers not found for Sale Shares

If the directors shall not within the Prescribed Period find Purchasers willing to purchase all the Sale Shares (or any lesser number specified in the Transfer Notice for the purposes of Article 11.1) at the Prescribed Price or if the directors shall within the Prescribed Period give to the Proposing Transferor notice in writing that the directors have no prospect of finding Purchasers, the Proposing Transferor at any time thereafter up to the expiration of six weeks after the Prescribed Period shall be at liberty (subject only to the provisions of Regulation 24) to transfer those Sale Shares for which the Company has not found (or has given notice that it has no prospect of finding) Purchasers to any person (not being a competitor of the Group or a person whose acquisition of the shares would be prejudicial to the authorisation of any member of the Group by the Financial Services Authority) by way of a bona fide sale at any price not being less than the Prescribed Price (after deducting, where appropriate, any dividend or other distribution declared or made in respect of the Sale Shares after the giving of the Transfer Notice and to be retained by the Proposing Transferor) and otherwise on the terms set out in the Transfer Notice, Provided That:

11.5.1 if the Transfer Notice shall state that the Proposing Transferor is not willing to transfer part only of the Sale Shares or less than a specified number of the Sale Shares he shall not be entitled to transfer any of such Sale Shares unless in aggregate the whole of such Sale Shares or, as relevant, not less than the specified number of such Sale Shares are so transferred;

11.5.2 the directors may require to be satisfied that the Sale Shares are being transferred pursuant to a bona fide sale upon the material terms and for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the Purchaser (other than in respect of any dividend or other distribution as referred to above) and if not so satisfied may refuse to register the instrument of transfer; and

11.5.3 the provisions of this Article 11.5 shall not apply in the case of a Default Transfer Notice.

11.6 Prescribed Price for Sale Shares

The expression "Prescribed Price" shall mean in respect of each Sale Share:

11.6.1 subject to paragraph 11.6.2.4, the price per share (if any) specified in the Transfer Notice in accordance with the foregoing provisions; and

11.6.2 if:

11.6.2.1 the relevant Transfer Notice does not name a proposed transferee and set out a price per share at which the Sale Shares are proposed to be sold to him; or

- 11.6.2.2 the Transfer Notice is a Transfer Notice deemed to have been given under the provisions of these Articles (including a Default Transfer Notice); or
- 11.6.2.3 such named proposed transferee is a Connected Person of or Concert Party with the Proposing Transferor; or
- 11.6.2.4 the terms on which such shares are to be sold to the named proposed transferee do not fully reflect the terms of the proposed transaction or are otherwise than a fixed cash sum payable in full on completion of the sale (for example, because the consideration is to be satisfied otherwise than in cash or because some deduction, consideration, rebate, allowance or arrangement is being made or is passing between the Proposing Transferor and the proposed transferee in addition to the price per share set out in the Transfer Notice),

such sum per share as shall be agreed between the Proposing Transferor and the other Ordinary Shareholders or, failing agreement, as shall be determined by an Independent Expert in accordance with Article 11.7.

11.7 **Determination of Prescribed Price by Expert**

The Independent Expert shall base his determination of the purchase price per Ordinary Share on the fair selling value of the entire issued ordinary share capital of the Company on the open market as between a willing vendor and a willing purchaser at arm's length. The value attributable to the Ordinary Shares to be purchased shall be such proportion of the fair selling value on the open market as the proportion that the Ordinary Shares to be purchased bears to the total issued ordinary share capital of the Company and no reduction in such value shall be made by reason of the holding of Ordinary Shares to be purchased being a minority holding or by virtue of any rights being attached to any particular class of shares. In assessing such fair selling value account shall be taken of all information which a prudent prospective purchaser of the entire issued ordinary share capital of the Company might reasonably require if he were proposing to purchase such ordinary share capital from a willing vendor by private treaty at arm's length. The determination of such Independent Expert shall be recorded in a notice issued by him to each of the Directors, the Shareholders and the Auditors and the costs of any Independent Expert appointed under this definition shall be borne by the Company.

11.8 **Failure to complete by Purchaser**

Where the directors shall have found a Purchaser or Purchasers and through no default of the Proposing Transferor any purchase is not duly completed, the directors shall forthwith notify the Purchaser or all of the Purchasers (as the case may be) and if within 7 days of such notice being given the Purchaser or Purchasers between them shall not have duly completed the purchase of the Sale Shares in respect of which there has been default in completion, the Proposing Transferor shall be deemed to have served a Transfer Notice in respect of such shares and the procedure contained in this Article shall be repeated in respect of them.

12 **Compulsory Transfer On Default**

12.1 **Default Transfer Notice**

Without prejudice to its obligations hereunder, if the Company receives notice from any Ordinary Shareholder that an Event of Default has occurred in relation to an Ordinary Shareholder or such Ordinary Shareholder shall have attempted to dispose of his interest in Ordinary Shares as provided in Article 9.3 (the "Defaulting Shareholder") and the other Ordinary Shareholders require that the Defaulting Shareholder or any Shareholder being a person to whom the Defaulting Shareholder has transferred shares pursuant to the provisions of Articles 10.2.1 to 10.2.6 inclusive makes an offer to sell its Ordinary Shares, the Defaulting Shareholder shall be deemed immediately to give a transfer notice (a "Default Transfer Notice") and the provisions of Article 11 shall apply. The offer of Ordinary Shares pursuant to the Default Transfer Notice shall be available to the other Ordinary Shareholders without prejudice to other rights and remedies they may have against the Defaulting Shareholder. The Company shall notify the Ordinary Shareholders that the requirement to give a Default Transfer Notice has arisen as soon as practicable after having become aware of the same.

12.2 **Suspension of voting rights**

The voting rights attached to any Ordinary Share in respect of which a Default Transfer Notice shall be deemed or required to have been given pursuant to these Articles shall forthwith be suspended until such time as the relevant share shall have been transferred in accordance with these Articles or such time as the directors shall have notified the member that they have no prospect of finding purchasers therefor.

13 **Drag and Tag Provisions**

13.1 Subject only to having complied with the provisions of Article 11, if the holders of "B" Shares representing a Controlling Interest ("the Selling Shareholders") wish to transfer, in one or more related transactions, an interest in such shares comprising a Controlling Interest to a Third Party Purchaser (which, for the avoidance of doubt, need not comprise the Selling Shareholders' entire holding of Shares), the Selling Shareholders shall have the option (the "Come Along Option") to require all the other holders of Ordinary Shares (the "Called Shareholders") to sell with full title guarantee and transfer all their shares, in all material respects on the same terms, to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with this Article 13.

13.2 The Selling Shareholders may exercise the Come Along Option by giving notice to that effect (a "Come Along Notice") to the Called Shareholders. A Come Along Notice shall specify that the Called Shareholders are required to transfer all their Ordinary Shares (the "Called Shares") pursuant to this Article 13 to the person to whom they are to be transferred, the price at which the Called Shares are to be transferred (which shall not be less than be the Specified Price) and the proposed date of transfer ("Completion").

13.3 A Come Along Notice is irrevocable but the Come Along Notice and all obligations thereunder will lapse if for any reason there is not a sale of shares comprising a Controlling Interest by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of the Come Along Notice.

- 13.4 Completion of the sale of the Called Shares shall take place on the same date as the date of completion of the sale by the Selling Shareholders unless:
- 13.4.1 all of the Called Shareholders and the Selling Shareholders agree otherwise; or
- 13.4.2 the date is less than three days after the Come Along Notice in which case it shall be deferred until the third day after the Come Along Notice.
- 13.5 The rights of pre-emption set out in these Articles shall not arise on any transfer of shares to a Third Party Purchaser (or as he may direct) pursuant to a sale in respect of which a Come Along Notice has been duly served.
- 13.6 If any holder of Ordinary Shares does not on Completion of the sale of Called Shares execute transfer(s) in respect of the Called Shares held by him any director shall be irrevocably entitled to and shall authorise and instruct such person as he shall think fit to execute any necessary transfer(s) on his behalf and against receipt by the Company (on trust for such member) of the consideration payable for the Called Shares deliver such transfer(s) to the Third Party Purchaser (or as he may direct) and register the Third Party Purchaser (or as he may direct) as the holder thereof and, after the Third Party Purchaser (or his nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person.
- 13.7 If the Selling Shareholders wish to transfer shares to a Third Party Purchaser the effect of which would be, through one or more related transactions, to transfer a Controlling Interest to such Third Party Purchaser, the Selling Shareholders shall procure that the Third Party Purchaser shall make an offer (not subject to any conditions materially different to those applicable to the offer to the Selling Shareholder(s)) to all other holders of Ordinary Shares to acquire their Ordinary Shares at the Specified Price. In any such case the holders of the Ordinary Shares shall be able to accept such offers and transfer their Ordinary Shares to the Third Party Purchaser and Article 11 shall not apply.
- 13.8 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this Article.

14 **Class Meetings and Variation of Rights**

14.1 **Class meetings**

Except as otherwise provided by these Articles, the provisions of these Articles relating to general meetings shall apply, with necessary modifications, to any meeting of the holders of shares of a class held otherwise than in connection with the variation or abrogation of the rights attached to shares of that class.

14.2 **Variation of rights**

All or any of the special rights or privileges for the time being attached to any share or class of shares in the capital of the Company (notwithstanding that the Company may be or be about to be in liquidation) may, either with the prior consent in writing of the holders of not less than three-fourths of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of shares of the class duly convened and held as hereinafter provided (but not otherwise), be varied or abrogated. To every such separate meeting the provisions of these Articles with respect to notice of and proceedings at general meetings shall

mutatis mutandis apply, but so that the requisite quorum shall be one person, present in person, by proxy or by corporate representative, holding or representing not less than one-third of the issued shares of the class (and so that if at any meeting of such holders adjourned pursuant to Regulation 41 a quorum as above defined is not present those members who are present shall be a quorum) and that any holder of shares of the appropriate class, present in person, by proxy or by corporate representative and entitled to vote, may demand a poll.

15 **Borrowing Powers**

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 subject to any provision of these Articles, to mortgage or charge its undertaking, property and uncalled capital or any part thereof.

16 **Proceedings at General Meetings**

16.1 **Quorum**

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and remains present during the transaction of business. 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 provided that at least one such person is an A Ordinary Shareholder and one such person is a B Ordinary Shareholder (or, in either case, a proxy or representative of such Ordinary Shareholder). If at any adjourned meeting which has been so adjourned pursuant to Regulation 41 a quorum is not present within half an hour of the time appointed for the adjourned meeting by reason of the absence of an A Ordinary Shareholder the meeting will be deemed quorate. Regulation 41 will be construed accordingly.

16.2 **Poll**

A poll may be demanded at any general meeting by the chairman or any member present in person, by proxy or by corporate representative and entitled to vote. Regulation 46 of Table A shall be modified accordingly.

16.3 **Deposit of form of proxy**

An instrument appointing a proxy (and, where it is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof) must either be delivered at such place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting (or, if no place is so specified, at the registered office) before the time appointed for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used or be delivered to the Secretary (or the chairman of the meeting) on the day and at the place of, but in any event before the time appointed for holding, the meeting or adjourned meeting or poll. An instrument of proxy shall not be treated as valid until such delivery shall have been effected.

16.4 **Signed resolutions**

A resolution executed or approved in writing by or on behalf of the holders of all the issued Ordinary Shares entitled to vote thereon shall be as valid and effective for all purposes as a resolution passed at a general meeting duly convened and held and may consist of several documents in the like form, each executed by or on behalf of one or more persons. In the case of a corporation the resolution may be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

17 **Votes of Members**

17.1 **Votes of members**

Subject to any special rights, privileges or restrictions attached to any shares forming part of the capital of the Company, at any general meeting of the Company on a show of hands every member who (being an individual) is present in person or by proxy (not being himself a member) or (being a corporation) is present by proxy or by a representative duly authorised under section 375 of the Act (not being himself a member) shall have one vote, and on a poll every member present in person, by representative or by proxy shall have one vote for every share of which he is the holder.

17.2 **Casting vote of chairman**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to any other vote he may have.

18 **Directors**

The number of directors shall not be fewer than two.

19 **Appointment of A Directors**

19.1 The A Ordinary Shareholders shall be entitled as a class to appoint one A Director or, if there are six or more Directors who are not A Directors, the A Ordinary Shareholders shall be entitled as a class to appoint two A Directors, in each case in accordance with the procedure set out in Article 19.2, and to remove any Director or Directors so appointed by them.

19.2 Any appointment or removal pursuant to Article 19.1 shall be decided upon by the A Ordinary Shareholders by either:-

19.2.1 a written direction signed by A Ordinary Shareholders, in the case of A Ordinary Shareholders holding all or (where there is more than one shareholder of such designation) a majority in nominal value of the issued A Ordinary Shares; or

19.2.2 by an ordinary resolution passed at a separate meeting of the A Ordinary Shareholders duly convened and held in accordance with the provisions of Article 16, provided that any such meeting may be convened by any holder of A Ordinary Shares.

- 19.3 Any appointment or removal pursuant to Article 19.1 shall take effect upon delivery of the direction pursuant to Article 19.2.1 or a written copy of the resolution passed pursuant to Article 19.2.2 being delivered to the registered office of the Company, to a meeting of the Board or to the secretary.
- 19.4 An A Director holding office pursuant to Articles 19.1 and 19.2 shall continue to hold such office until he is either removed pursuant to this Article 19 or vacates office pursuant to Article 25.
- 19.5 On any resolution to remove an A Director appointed pursuant to this Article 19, or to amend or alter this Article 19 (or to alter its effect), shares held by the A Ordinary Shareholders shall together carry at least one vote in excess of 75 per cent. of the votes exercisable at the general meeting at which such resolution is to be proposed (and such votes shall be apportioned amongst the A Ordinary Shareholders in the proportion in which they hold A Ordinary Shares).

20 **Appointment Of B Directors**

- 20.1 The B Ordinary Shareholders shall be entitled as a class, to appoint one or more B Directors in accordance with the procedure set out in Article 20.2 and to remove any director so appointed by them.
- 20.2 Any appointment or removal pursuant to Article 20.1 shall be decided upon by the B Ordinary Shareholders by either:-
- 20.2.1 a written direction signed by B Ordinary Shareholders, in the case of B Ordinary Shareholders holding all or (where there is more than one shareholder of such designation) a majority in nominal value of the issued B Ordinary Shares; or
- 20.2.2 by an ordinary resolution passed at a separate meeting of the B Ordinary Shareholders duly convened and held in accordance with the provisions of Article 16 provided that any such meeting may be convened by any holder of B Ordinary Shares.
- 20.3 Any appointment or removal pursuant to Article 20.1 shall take effect upon delivery of the direction pursuant to Article 20.2.1 or written copy of the resolution passed pursuant to Article 20.2.2 being delivered to the registered office of the Company, to a meeting of the Board or to the secretary.
- 20.4 A B Director holding office pursuant to Article 20.1 and 20.2 shall continue to hold such office until he is either removed pursuant to this Article 20 or vacates office pursuant to Article 25.
- 20.5 On any resolution to remove a B Director appointed pursuant to this Article 20, or to amend or alter this Article 20 (or to alter its effect), shares held by the B Ordinary Shareholders shall together carry at least one vote in excess of 75 per cent. of the votes exercisable at the general meeting at which such resolution is to be proposed (and such votes shall be apportioned amongst the B Ordinary Shareholders in the proportion in which they hold B Ordinary Shares).

21 **No Rotation**

The directors shall not be liable to retire by rotation, and accordingly in Regulation 79 of Table A the second and third sentences thereof shall be deleted and in Regulation

78 the words "and may also determine the rotation in which any additional directors are to retire" shall be deleted.

22 **Alternate Directors**

22.1 **Appointment and removal**

Any director (other than an alternate director) may from time to time appoint any other director or any person approved by the Board (such approval not to be unreasonably withheld or delayed) to be an alternate director of the Company, and may at any time remove any alternate director so appointed by him from office, and appoint another person approved as aforesaid in his place. Any appointment of an alternate director may provide for two or more persons in the alternative to act as an alternate director.

22.2 **Notice of appointment or removal**

Any such appointment or removal shall be by notice to the Company signed by the director making or revoking the appointment and shall take effect upon service on the Company at its registered office or in any other manner approved by the directors.

22.3 **Cessation of appointment**

An alternate director shall ipso facto cease to be an alternate director if his appointor ceases for any reason to be a director.

22.4 **Functions of alternate director**

An alternate director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of directors, and to attend, to be counted in the quorum for and to vote as a director (with the same designation as the director appointing him) at any such meeting at which the director appointing him is not personally present and generally to perform all functions of his appointor as a director in the absence of such appointor including, without prejudice to the generality of the foregoing, power to sign any resolution pursuant to Article 27.3.

22.5 **Voting rights cumulative**

A director acting as alternate shall have an additional vote at meetings of the Board for each director for whom he acts as alternate but he shall only count as one person for the purpose of determining whether a quorum is present.

22.6 **Alternate director responsible for own acts**

An alternate director shall be deemed to be an officer of the Company and shall alone be responsible for his own acts and defaults and the director so appointing him shall not be responsible for the acts and defaults of an alternate director so appointed.

22.7 **Remuneration**

The remuneration of any such alternate director shall be payable out of the remuneration payable to the director appointing him and shall consist of such part (if

any) of the last mentioned remuneration as may be agreed between the alternate director and the director appointing him.

22.8 **Power to act**

Save as otherwise provided in these Articles, an alternate director shall not have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.

23 **No Share Qualification**

Neither a director nor an alternate director shall require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares of the Company.

24 **Directors' Interests**

A director (including an alternate director) who has duly declared his interest therein to the Board pursuant to section 317 of the Act may vote as a director in regard to any contract or arrangement in which he is interested or upon any matter arising therefrom, and if he so votes his vote shall be counted, and he shall be counted in the quorum when any such contract or arrangement is under consideration.

25 **Vacation of Office**

Without prejudice to the provisions of Article 19, the office of a director shall be vacated:

25.1 if by notice in writing to the Company he resigns the office of director;

25.2 if he is prohibited from being or is disqualified as a director by an order made under any provision of the Insolvency Act 1986 or the Company Directors Disqualification Act 1986;

25.3 if he is, or may be, suffering from mental disorder and either:

25.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or

25.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

25.4 if he is removed from office under section 303 of the Act.

26 **No Age Limit**

Unless and until otherwise determined by the Company by ordinary resolution, either generally or in any particular case, no director shall vacate or be required to vacate his office as a director on or by reason of his attaining or having attained the age of seventy, and any person proposed to be appointed a director shall be capable of being

appointed as a director notwithstanding that he has attained the age of seventy, and no special notice need be given of any resolution for the appointment as a director of a person who shall have attained the age of seventy, and it shall not be necessary to give to the members notice of the age of any director or person proposed to be so appointed.

27 **Proceedings of Directors**

27.1 **Quorum**

27.1.1 The quorum necessary for the transaction of the business of the Board shall be two, of which, unless otherwise agreed by the Ordinary Shareholders from time to time and notified in writing to the Company, at least one shall be an A Director. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

27.1.2 If any A Director (or his alternate) appointed by the A Ordinary Shareholders shall fail to attend any duly convened meeting of the Board, the Chairman shall notify the A Ordinary Shareholders in writing of that fact. If, following such notification to the A Ordinary Shareholders, the Director appointed by them (or his alternate) shall fail to attend the next duly convened meeting of the Board, the quorum necessary for the transaction of the business of the Board at that next meeting shall be altered so that the attendance of the representative (or his alternate) of such A Ordinary Shareholder shall not be required.

27.2 **Regulation of meetings**

Unless otherwise determined in respect of each specified meeting by a majority of the Board which majority includes sufficient number and (if appropriate) designation of directors to constitute a quorum for the business to be transacted at such specified meeting meetings of the Board shall be held at least at monthly intervals. Save where urgent business arises where such period of notice is not practicable, reasonable notice of meetings of the Board accompanied by the venue for such meeting and an agenda of the business to be transacted (together with where practicable all papers to be circulated or presented to the same) shall be given to all the directors (whether or not they be present in the United Kingdom). Subject as aforesaid, the directors may adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes and in the case of an equality of votes no person shall have a second or casting vote. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the Board.

27.3 **Signed resolutions**

A resolution executed or approved in writing by all the directors shall be as valid and effective for all purposes as a resolution passed at a meeting of the Board duly convened and held and may consist of several documents in the like form, each signed by one or more of the directors. A resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

27.4 **Delegation to committees**

The directors may delegate any of their powers to a committee consisting of at least two directors, of whom at least one shall be an A Director. No committee shall be entitled to transact any business which the Board would not be entitled to transact, and the provisions of these Articles with respect to the regulation of meetings of the Board shall apply, mutatis mutandis, to meetings of any committee.

27.5 **Meetings by conference facilities**

A meeting of the Board may consist of a conference between directors some or all of whom are in different places provided that each director who participates is able:

27.5.1 to hear each of the other participating directors addressing the meeting; and

27.5.2 If he so wishes, to address each of the other participating directors simultaneously, whether directly, by conference telephone or by any other form of communications equipment (whether in use when this Article 27.5 is adopted or developed subsequently) or by a combination of such methods. A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number and designation of directors required to form a quorum. A meeting held in this way shall be deemed to take place at the place where the largest group of directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. Any director may, by prior notice to the secretary, indicate that he wishes to participate in the meeting in such manner, in which event, the directors shall procure that an appropriate conference facility is arranged.

28 **Indemnity**

Every director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 727 of the Act in which relief is granted to him by the courts, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. The Company may purchase and maintain for any officers or the Auditors insurance against any liability which by virtue of any rule of law would otherwise attach to him or them in respect of any negligence, default, breach of duty or breach of trust of which he or they may be guilty of in relation to the Company.