

04565602

THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES

THURSDAY



MEMORANDUM OF ASSOCIATION
OF

TITAN WASHING MACHINE LIMITED

*(As amended by Written Resolution approved on 13 December 2002,
20 September 2004 and 30 March 2009)*

- A. The Company's name is Titan Washing Machine Limited.¹
- B. The Company's Registered Office is to be situated in England and Wales.
- C. The Company's objects are:
- (1) (a) To act as a general commercial company and in particular but without prejudice to the generality of the foregoing to carry on within and without the United Kingdom all or any of the businesses of exporters, importers, manufacturers, agents, brokers, general merchants and dealers, both wholesale and retail in all articles of commercial, manufacturing, personal and household use and consumption, ornament, recreation and amusement, and generally in all raw materials, manufactured goods, materials, provisions and general produce, and also the business of storage contractors, wharfingers, carriers, shipping and forwarding agents, warehousemen and storekeepers.
- (b) To carry on the business of a Holding Company and the business of an Investment Company or other and to do all lawful acts and things whatever, that are necessary or convenient in carrying on the business of a Holding Company or the business of an Investment Company or both and in particular to carry on in all its branches the business of a Management and Servicing Company and to act as Managers or to direct the management of other companies or of the business, property and estates of corporations private persons or companies and to undertake and carry out all such services in connection therewith as may be deemed expedient and to exercise its powers as a controlling shareholder of other companies; to acquire by purchase, lease, concession, grant, licence or otherwise such lands, buildings, leases, underleases, rights, privileges, stocks, shares and debentures in public

¹ On incorporation the name of the Company was Primary Function Limited. By Written Resolution approved on 13 December 2002 the name of the Company was changed to Titan Washing Machine Limited.

or private companies, corporate or unincorporate policies of insurance and other such property, real or personal and rights and interests in property as the Company shall deem fit.

- (2) To carry on any other business which may seem capable of being conveniently carried on in connection with any of the businesses aforesaid or otherwise calculated, directly or indirectly, to enhance the value of or render more profitable any of the Company's property or rights.
- (3) To purchase or otherwise acquire, subscribe for or underwrite or guarantee the subscription of, hold and deal in, whether on its own account or for any other person, any shares, debentures, stocks, bonds, script or other securities issued by any company or association or any supreme, municipal, local or other authority, whether in Great Britain or any overseas country or place.
- (4) To purchase, take on lease, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions, patent rights, licences, secret processes, machinery, plant, stock-in-trade, and any real and personal property of any kind which may be necessary for, or may be conveniently used with or may enhance the value of any other property of the Company.
- (5) To build, construct, maintain, alter, enlarge, pull down, and remove, or replace any buildings of any kind whatsoever, and to clear sites for the same, or to join with any person, firm or company in doing any of the things aforesaid, and to work, manage, and control the same or join with others in so doing.
- (6) To purchase or otherwise acquire, take over, and undertake the whole or any part of the business and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm, or company and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any Shares, Debentures, Debenture Stock or Securities that may be agreed upon, and to hold and retain, or sell, mortgage, and deal with any Shares, Debenture Stock, or Securities so received.
- (7) To apply for, register, purchase, or by other means acquire and protect, prolong, and renew, whether in the United Kingdom or elsewhere, any patents, patent rights, licences, trade marks, designs, protections, and concessions, and to use and turn to account and to manufacture under

or grant licences or privileges in respect of the same, and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions, or rights which the Company may acquire or propose to acquire.

- (8) To improve, manage, cultivate, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (9) To lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms and to secure or guarantee the payment of any sums of money or the performance of any obligation by any Company, firm or person including any holding company, subsidiary or fellow subsidiary company in any manner.
- (10) To borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of Debentures or Debenture Stock, and to secure the repayment of any money borrowed, raised or owing, by mortgage, charge, or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled Capital, and also by a similar mortgage, charge, or lien to secure and guarantee the performance by the Company or any obligation or liability it may undertake.
- (11) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (12) To invest and deal with the moneys of the Company not immediately required in such shares or upon such securities and in such manner as may from time to time be determined.
- (13) To enter into any arrangements with any Governments or Authorities or any companies, firms or persons that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, Authority, company, firm, or person any charters, contracts, decrees, rights, privileges, and concessions, and to carry out, exercise, and comply with any such charters, contracts, decrees, rights, privileges, and concessions.
- (14) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts, and also to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors, or others.

- (15) To subscribe for, purchase, or otherwise acquire and hold Shares or other interests in or Securities of any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being carried on so as directly or indirectly to benefit this Company.
- (16) To remunerate any person, firm, or company rendering services to this Company, either by cash payment or by the allotment to him or them of Shares or Securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (17) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been Directors of, or who are or have been employed by, or who are serving or have served the Company, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.
- (18) To enter into partnership or into any arrangement for sharing profits or to amalgamate with any person, firm or company carrying on or proposing to carry on any business which the Company is authorised to carry on or any business or transaction capable of being conducted so as directly or indirectly to benefit the Company.
- (19) To promote any other company for the purpose of acquiring the whole or any part of the business or property and undertaking any of the liabilities of this Company, or of undertaking any business or operations which may appear likely to assist or benefit this Company or to enhance the value of any property or business of this Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.

- (20) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions for such consideration as the Company may think fit, and in particular for shares, debentures or securities or any company purchasing the same.
- (21) To distribute among the Members of the Company in kind any property of the Company, and in particular any shares, debentures, or securities of other companies belonging to this Company or of which this Company may have the power of disposing.
- (22) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any Shares, Debentures, Debenture Stock, or other Securities of this Company.
- (23) To procure the Company to be registered or recognised in any part of the world.
- (24) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

It is hereby expressly declared that each Sub-Clause of this Clause shall be construed independently of the other Sub-Clauses hereof, and that none of the objects mentioned in any Sub-Clause shall be deemed to be merely subsidiary to the objects mentioned in any other Sub-Clause.

- D. The liability of the Members is limited.
- E. The Company's Share Capital is £1,000 divided into 1,000 Ordinary Shares of £1.00 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential deferred or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.²

² The Company's share capital was £1,000 divided into 1,000 Ordinary shares of £1.00 each on the date of incorporation.

By a Written Resolution passed on 20 September 2004, the authorised share capital of the Company was subdivided into 10,000 ordinary shares of £0.10 each.

By a Written Resolution passed on 30 March 2009, the authorised share capital of the Company was increased to £5,000 by the creation of 40,000 ordinary shares of £0.10 each.

ARTICLES OF ASSOCIATION

of

TITAN WASHING MACHINE LIMITED

Incorporated on: 17 October 2002

Registered number: 4565602

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ARTICLES OF ASSOCIATION
(As adopted on 11 October 2005 and amended by Written Resolution approved
on 30 March 2009)

of

TITAN WASHING MACHINE LIMITED

1. Interpretation

1.1 Subject as provided in paragraph 1.2 below, the regulations contained in Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No 805) ("Table A") shall, together with the following regulations, constitute the articles of association of the Company.

1.2 Regulations numbered 8, 9 and 73 to 80 (both inclusive) in Table A shall not apply to the Company.

1.3 In these Articles:

(a) headings are used for convenience only and shall not affect the construction hereof;

(b) words and expressions which are defined in Table A shall bear the same meaning where used herein and, unless the context otherwise requires or does not so admit or save as otherwise provided herein, words and expressions contained herein shall bear the same meaning as in the Act (but excluding any statutory modification or re-enactment thereof not in force on the date on which these Articles become binding on the Company);

(c) in the event of there being any conflict or inconsistency between any provision in Table A which is applicable to the Company and any provision set forth herein, the latter shall prevail;

(d) the following words and expressions shall have the following meanings:

the "Act": the Companies Act 1985 and every statutory modification or re-enactment thereof and every statutory instrument relevant thereto or derived therefrom for the time being in force

"Adoption Date": the date on which these Articles were adopted as stated at the top of the first page

"Approved Transferees": as defined in article 5.13

"Associate": as defined in article 7.1(c)

"these Articles": these articles of association as amended from time to time (and reference to an "article" shall be construed accordingly)

"Controlling Interest": as defined in article 7.1(d)

the "Directors": the Directors for the time being of the Company as a body or a quorum of the Directors present at a meeting of the Directors

"Disenfranchisement Notice": as defined in article 6.5(b)

"Group Company": the Company and any other company which is for the time being a subsidiary undertaking of the Company (and "Group" shall be construed accordingly)

"Investor": as defined in article 4.5(d)

"Investor Approval": the prior consent or approval in writing of an Investor Majority

"Investor Majority": the holders of not less than one half of the total number of Shares for the relevant time being in issue

"Mandatory Transfer Notice": as defined in article 5.4

"Member": any holder for the time being of Shares in the capital of the Company of whatever class

"Ordinary Shares": Ordinary Shares of 10p each in the capital of the Company having rights as set out in these Articles

"Permitted Transfer": as defined in article 4.2(a)

"Prescribed Period": the period referred to in article 5.5(b) and article 5.6)

"Proposed Transferee": as defined in article 5.5(a)

"Sale Price": as referred to in article 5.5(b) and article 5.6

"Sale Shares": as defined in article 5.3

"Shares": (unless the context does not so admit) shares in the capital of the Company (of whatever class)

"Take-over": the acquisition by a Buyer (as defined in article 7.1(a)) of a Controlling Interest or the sale or other disposal of the whole or substantially the whole of the undertaking of the Company or any other Group Company (other than to a Group Company which is the Company or a wholly-owned subsidiary of the Company)

"Total Transfer Condition": as defined in article 5.4

"Transfer Notice": as defined in article 5.2

"Transferor": as defined in article 5.2

“UK Listing Authority” means the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000

1.4 A Special or Extraordinary Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles or the Act.

1.5 Insofar as Table A shall require that the seal be affixed to any document (including a share certificate) such requirement shall be treated as satisfied if such document is executed as provided in Section 36A(4) of the Act (as in force on the Adoption Date).

2. Share capital

The authorised share capital of the Company at the Adoption Date is £1,000 divided into 10,000 Ordinary Shares.¹

3. Transfer Notice

No such Permitted Transfer as is referred to in paragraphs (a), (b) or (c) in article 4.5 may be made in respect of or in relation to any Share which for the relevant time being is the subject of any Transfer Notice or Mandatory Transfer Notice.

4. Share transfers - general provisions

4.1 In addition to the discretions vested in them pursuant to regulation 24 of Table A, the Directors may refuse to register the transfer of any Share to an individual who is (or whom the Directors reasonably believe to be) under 18 years of age or who does not have (or whom the Directors reasonably believe does not have) the legal capacity freely to dispose of any Share without let, hindrance or court approval..

4.2 The Directors shall refuse to register the transfer of any Share unless they are satisfied that such transfer is either:

- (a) a transfer permitted under article 4.5 (a “Permitted Transfer”); or
- (b) a transfer made in accordance with and permitted under article 5; or
- (c) a transfer made in accordance with article 7.6 or 7.7.

4.3 Subject as provided in articles 4.1 and 4.4 or as required by law, the Directors shall register any such transfer as is referred to in paragraph (a), (b) or (c) of article 4.2.

4.4 If, in relation to a transfer of a Share, the Transferor thereof is a party to any agreement between the Company and some or all of its Members (being an agreement

¹ By a Written Resolution passed on 30 March 2009, the authorised share capital of the Company was increased to £5,000 by the creation of 40,000 ordinary shares of £0.10 each.

additional to these Articles) then the Directors may or, if an Investor Majority so requires, shall:

- (a) require the transferee of such Share to enter into a written undertaking (in such form as the Directors may with Investor Approval prescribe) to be bound (to the same extent as the Transferor or to such other extent as the Directors and/or an Investor Majority may reasonably stipulate) by the provisions of such agreement; and
- (b) decline to register the transfer of such Share unless and until the transferee has entered into such written undertaking.

4.5 Subject to articles 3, 4.1 and 4.4 and (subject as provided in article 7.9) to article 7.2, a Member shall be permitted to transfer the legal title to and/or beneficial ownership of a Share:

- (a) if the Member is a company, to any holding company or subsidiary of that Member or to any other subsidiary company of any such Member's holding company; or
- (b) to a person who is the beneficial owner of such Share or (in the case of the legal title only) to a different or additional nominee or trustee or custodian on behalf of such beneficial owner provided that such person has not become the beneficial owner thereof other than in accordance with the provisions of these Articles;
- (c) if the Member is an individual, to an Associate (within the meaning of paragraphs (i) and (ii) of the definition of "Associate" contained in article 7.1(c)) of that Member; or
- (d) if the Member is a person whose principal business is to make, manage or advise upon share investments (an "Investor") (or a nominee of such a person or any person to whom any of them may have transferred Shares pursuant to this article 4.5(d), or any subsequent transferee of such Shares):
 - (i) to the beneficial owner or owners in respect of which the Transferor is a nominee or custodian or any other nominee or custodian for such beneficial owner or owners;
 - (ii) to any unitholder, shareholder, partner, participant, manager or adviser (or any employee or director of, or any consultant to, any such manager or adviser or of any company which is the subsidiary company, holding company or another subsidiary of the holding company of, or is associated with, such manager or adviser or to the trustees of any trust of any person of the type referred to in article 7.1(c)(ii)) in or of any Investor or of any investment fund, collective investment scheme or any co-investment scheme in respect of which an Investor or any of its group companies or entities or the Transferor is the manager, adviser or administrator or a nominee or custodian (or of any such fund or scheme which otherwise co-invests with the Investors);

- (iii) to any other investment fund or collective investment scheme managed or advised by an Investor or any of its group companies or entities; or
- (iv) to a nominee or custodian of, or to any company which is the subsidiary company, holding company or another subsidiary of the holding company of, the Transferor or any of the persons referred to in sub-paragraphs (i), (ii) or (iii) of this article 4.5(d);
- (e) with the prior written consent (which may be subject to terms and conditions) of an Investor Majority.

5. Share transfers - pre-emption provisions

- 5.1 Except in the case of a Permitted Transfer, the right to transfer or otherwise dispose of a Share or any interest or right in or arising from a Share (an option, warrant or other right to acquire any Share (whether by subscription, conversion or otherwise) being deemed (without limitation) to be an interest in a Share for this purpose) shall be subject to the provisions contained in this article and any such transfer or other disposal made otherwise than in accordance with such provisions shall be void.
- 5.2 Before transferring or otherwise disposing of any Share or any interest or right in or arising from any Share the person proposing to transfer or otherwise dispose of the same (the "Transferor") shall give notice in writing (a "Transfer Notice") to the Company specifying the Shares, interest and/or rights of which the Transferor wishes to dispose. The Transferor shall, contemporaneously with the giving of a Transfer Notice, deliver up and lodge with the Company the share certificate(s) in respect of the relevant Shares.
- 5.3 Notwithstanding that a Transfer Notice specifies that the Transferor wishes to dispose only of an interest or right in or arising from or attaching to, the Shares referred to therein, the Transfer Notice shall (notwithstanding anything in the Transfer Notice to the contrary) unconditionally constitute the Company the agent of the Transferor in relation to the sale of all the legal title to, beneficial ownership of and all interests and rights attaching to the Shares referred to therein (the "Sale Shares") at the Sale Price in accordance with the provisions of this article. A Transfer Notice shall not be revocable except with the consent of the Directors.
- 5.4 Except in the case of a Transfer Notice which a Member is required to give or is deemed to have given pursuant to article 6 (a "Mandatory Transfer Notice"), a Transfer Notice may include a condition (a "Total Transfer Condition") that if all the Sale Shares (of whatever class) are not sold to Approved Transferees, then none shall be so sold.
- 5.5 Except in the case of a Mandatory Transfer Notice, the Transfer Notice may state, in addition to details of the Sale Shares:
 - (a) the name or names of a person or persons (such person or persons being hereinafter referred to as the "Proposed Transferee") to whom the Sale Shares (or an interest or right in or arising therefrom) are proposed to be

transferred in the event that the Sale Shares are not acquired by Approved Transferees (as hereinafter defined); and

- (b) the entire consideration per Share for which any such transfer or transfers will be made (and, if any of the said consideration is not a cash price expressed in pounds sterling, an amount per Share which is so expressed and which is commensurate with the entire consideration). In such event, subject to the Directors being satisfied (and to that end being provided with such evidence as they may reasonably require) that the consideration so stated is a bona fide consideration (not inflated for particular reasons) agreed between the Transferor and the Proposed Transferee at arms' length and in good faith, such consideration shall be the Sale Price and the Prescribed Period shall commence on the date on which the Transfer Notice is given and shall expire 60 days thereafter.

5.6 In the case of a Mandatory Transfer Notice or a Transfer Notice which does not state the further details referred to in article 5.5 then:

- (a) if, not more than 30 days after the date on which the Transfer Notice was given or was deemed to be given (or such longer period (if any) as the Directors with Investor Approval may, prior to the expiry of such period of 30 days, determine to allow for this purpose), the Transferor and the Directors shall have agreed a price per Share as representing the fair value of the Sale Shares or as being acceptable to the Transferor and not more than the fair value thereof then such price shall be the Sale Price and the Prescribed Period shall commence on the date on which such agreement is reached and shall expire 60 days thereafter; or
- (b) failing such agreement, upon the expiry of 30 days (or such longer period (if any) as aforesaid) after the date on which the Transfer Notice was given or was deemed to be given the Directors shall instruct the auditors for the time being of the Company to determine and report to the Directors the sum per Share considered by them to be the fair value of the Sale Shares and the sum per Share so determined and reported shall be the Sale Price and the Prescribed Period shall commence on the date on which the auditors shall so determine and report and shall expire 60 days thereafter.

5.7 For the purposes of article 5.6, the auditors shall act as experts and not as arbitrators and (save only for manifest error) their determination shall be final and binding upon the Company and all Members. The costs and expenses of the auditors in relation to the making of their determination shall be borne by the Company unless the Sale Price as so determined is the same as, or substantially the same as, that (if any) which the Directors had notified to the Transferor as being in their opinion the Sale Price, in which event such costs and expenses shall be borne by the Transferor. For the purposes of article 5.6 and this article, the fair value of Sale Shares shall be the market value thereof as at the date when the relevant Transfer Notice or Mandatory Transfer Notice was given or deemed to have been given (as the case may be) as between a willing buyer and a willing seller at arms' length but with no discount being made by reason of such Shares (if such be the case) constituting a minority holding (and the auditors shall be instructed accordingly).

- 5.8 Subject as provided in article 5.9, Sale Shares shall be offered for sale to all the Members of the Company for the relevant time being holding Shares.
- 5.9 The Company shall not be required to, and shall not, offer any Sale Shares to the Transferor, any Associate of the Transferor or any person who remains a Member but who has been deemed to have given a Mandatory Transfer Notice on or prior to the date on which any such offer as is referred to in article 5.8 is made. In addition, if, during the period between the date on which any such offer is made and (following the acceptance of such offer by a Member) the sale of Sale Shares to such Member is completed, such Member is deemed to have given a Mandatory Transfer Notice then such Member shall be deemed not to have accepted such offer and the relevant Sale Shares shall be re-offered for sale (at the same Sale Price and as if such price had been determined on the date on which the Mandatory Transfer Notice is deemed to have been given).
- 5.10 Any such offer as is required to be made by the Company pursuant to article 5.8 shall limit a time (not being less than 14 days or (unless an Investor Majority otherwise agrees or directs) more than 21 days) after such offer is made within which it must be accepted or, in default will lapse.
- 5.11 If acceptances are received in respect of an aggregate number of Shares which is in excess of that offered then the number of Sale Shares shall be allocated amongst those who have accepted the same in proportion to the number of Shares held by each acceptor provided that no acceptor shall be obliged to acquire more Sale Shares than the number for which he has applied and so that the provisions of this article 5.11 shall continue to apply mutatis mutandis until all Shares which any such acceptor would, but for this proviso, have acquired on the proportionate basis specified above have been allocated accordingly.
- 5.12 If a Transfer Notice shall validly contain a Total Transfer Condition then any such offer as aforesaid shall be conditional upon such condition being satisfied and no acceptance of an offer of Sale Shares will become effective unless such condition is satisfied. Subject thereto, any such offer as is required to be made pursuant to article 5.8 shall be unconditional.
- 5.13 If, prior to the expiry of the Prescribed Period, the Company shall, pursuant to the foregoing provisions, find Members ("Approved Transferees") to purchase some or (if article 5.12 shall apply) all the Sale Shares it shall forthwith give notice in writing thereof to the Transferor and the Approved Transferees. Every such notice shall state the name and address of each of the Approved Transferees and the number of the Sale Shares agreed to be purchased by him and shall specify a place and time and date (not being less than 3 days nor more than 10 days after the date of such notice) at which the sale and purchase shall be completed. Upon the giving by the Company of any such notice as aforesaid the Transferor shall be unconditionally bound (subject only to due payment of the Sale Price) to complete the sale of the Sale Shares to which such notice relates in accordance with its terms.
- 5.14 If a Transferor shall (save only for reason that an Approved Transferee does not duly pay the Sale Price) fail duly to transfer (or complete the transfer of) any Sale Shares to an Approved Transferee, the Directors shall be entitled to, and shall, authorise and instruct some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the Transferor and

(notwithstanding (if such is the case) that the Transferor has failed to deliver up the relevant share certificate(s)) shall (subject to so receiving the purchase money) cause such Approved Transferee to be registered as the holder of such Shares. The receipt of the Company for the purchase money shall be a good discharge to the Approved Transferee (who shall not be bound to see to the application thereof) and after the Approved Transferee has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

5.15

- (a) If the Company shall not, prior to the expiry of the Prescribed Period, find Approved Transferees willing to purchase some, or, if the relevant Transfer Notice validly contains a Total Transfer Condition, all the Sale Shares, it shall give notice in writing thereof to the Transferor and the Transferor at any time thereafter up to the expiration of 60 days from the date of such notice, shall (subject as provided below) be at liberty to transfer those of the Sale Shares not purchased by Approved Transferees or all the Sale Shares (as the case may be) to the Proposed Transferee or, where the Transfer Notice did not contain details of a Proposed Transferee, to any one person on a bona fide sale at any price not being less than the Sale Price. The Directors may require the Transferor to evidence to them (to their reasonable satisfaction) that such Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate, allowance or indulgent terms whatsoever to the purchaser thereof and, if not so satisfied, may refuse to register the instrument of transfer and/or serve a Disenfranchisement Notice with the effect set out in article 6.5(b) in respect of such Shares as shall have been so sold.
- (b) The provisions of the immediately preceding paragraph shall not apply to any Sale Shares which so became by virtue of the holder thereof having been deemed to have given a Mandatory Transfer Notice in respect thereof. In such event, such holder shall not be permitted to transfer all or any of the same as provided in paragraph (a) above (and, accordingly, the provisions in article 5 shall apply if such holder subsequently determines to seek to transfer the same).

5.16 Any Share required to be transferred by a Transferor to an Approved Transferee pursuant to this article shall be transferred free from any mortgage, charge, lien, option or other encumbrance and with the benefit of all rights and entitlements attaching thereto and if, in determining the Sale Price, there was taken into account any entitlement to any dividend which has been paid prior to the date on which the transfer is registered then the Transferor shall be liable to account to the Approved Transferee for the amount thereof (and the Approved Transferee, when making payment for such Share, may set off such amount against the Sale Price payable).

6. Share transfers - further provisions

6.1 If any person shall purport to transfer or otherwise dispose of any Share or any interest in or right arising from any Share otherwise than as permitted under article 4.5 or in accordance with the provisions of article 5, such person and any Associate of

such person who is a Member shall, unless and to the extent (if any) that the Directors otherwise determine at the relevant time, be deemed to have given, on the date on which the Directors give notice to such person that they have become aware of the purported transfer of other disposal (or on the date (if any) specified in such notice), a Transfer Notice in respect of all Shares of which such person and any such Associate of such person is then the holder.

- 6.2 If any person becomes entitled to Shares in consequence of the bankruptcy or liquidation of a Member then (unless a transfer to such person would be a Permitted Transfer or the Directors (with Investor Approval) determine otherwise at the relevant time) a Transfer Notice shall be deemed to have been given on such date as the Directors shall specify in writing to the person concerned in respect of all Shares held by the Member and any Associate of such Member.
- 6.3 If a corporation which is a holder and/or beneficial owner of any Share in the Company ceases to be controlled by the person or persons who were in control of the corporation at the time when the corporation became a Member of the Company, it shall, within 7 days of such cessation of control, give notice in writing to the Company of that fact and unless the Directors (with Investor Approval) determine otherwise at the relevant time there shall be deemed to have been given as from the date on which the Directors become aware of such cessation (however they become so aware) a Transfer Notice in respect of all Shares held and/or beneficially owned by such corporation and any Associate(s) of such corporation. For the purposes of this paragraph "control" shall have the same meaning as in section 416 Income and Corporation Taxes Act 1988.
- 6.4 If a person in whose favour a Permitted Transfer was made pursuant to article 4.5(c) shall cease to be an Associate of the person by whom such transfer was made then he shall, within seven days of such cessation, give notice in writing to the Company of that fact and unless the Directors (with Investor Approval) determine otherwise at the relevant time there shall be deemed to have been given as from the date on which the Directors become aware of such cessation (however they become so aware) a Transfer Notice in respect of all Shares held by such person (as is first-mentioned in this paragraph) and any Associate of such person.
- 6.5 For the purpose of ensuring that a transfer of Shares is a Permitted Transfer or that no circumstances have arisen whereby a Transfer Notice is required or may be deemed to have been given under any provision of article 5 or this article, the Directors may from time to time require any Member or the personal representatives of any deceased Member or any person named as transferee in any transfer lodged for registration or any person who was, is or may be an Associate of any of the foregoing to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose. If such information or evidence discloses that a Transfer Notice ought to have been given in respect of any Shares the Directors may by notice in writing stipulate that a Mandatory Transfer Notice shall as from the date of such notice (or on such future date as may be specified therein) be deemed to have been given by the holders of those Shares and/or their Associates in respect of all or any of such Shares. Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within a reasonable time after request, the Directors shall be entitled:

- (a) to refuse to register the transfer in question or, in case no transfer is in question, to require by notice in writing to the holder(s) of the relevant Shares that a Transfer Notice be given in respect of all such Shares (and such notice may stipulate that if a Transfer Notice is not given within a specified period then, upon the expiry of such period, a Mandatory Transfer Notice shall be deemed to have been given in respect of all the relevant Shares); and/or
- (b) to give to the holder(s) of the Shares in question a notice ("a Disenfranchisement Notice") stating that such Shares shall as from the date of such notice no longer confer any right to attend, speak or vote at any general meeting of the Company or at any class meeting or to receive or be entitled to receive any dividend or other distribution until such time as the Directors shall think fit and, as from such date, such Shares shall no longer confer any such rights accordingly.

6.6 A Director shall be regarded as having an interest which is material and which conflicts with the interests of the Company in (and accordingly shall not be entitled to vote in relation to) any matter which requires to be determined or otherwise decided upon by the Directors pursuant to or for the purposes of articles 4 or 5 or this article to the extent such matter relates to any Shares held by such Director or any Associate of such Director or in which such Director is otherwise interested.

6.7 In any case, where a Mandatory Transfer Notice has been deemed to have been given by a Member, such Member shall, upon demand by the Company, deliver up to and lodge with the Company, the share certificate(s) in respect of the relevant Shares.

7. Transfer of a Controlling Interest

7.1 For the purposes of this article:

- (a) the expression "Buyer" means any one person (whether or not an existing Member of the Company) but so that any Associate of any such person shall be deemed to be such person;
- (b) the expression "acquire" means to be or become the legal or beneficial owner of Shares (or the right to exercise the votes attaching to Shares), whether directly or indirectly and whether by the issue, transfer, renunciation or conversion of Shares or otherwise and whether all at one time or not;
- (c) the expression "Associate" means:
 - (i) the husband, wife, mother, father, grandmother, grandfather, brother, sister, child (including adopted child) or other lineal descendant of the relevant person;
 - (ii) the trustees of any settlement (whether or not set up by the relevant person) under which the relevant person and/or any other

Associate of the relevant person is or is capable of being a beneficiary;

- (iii) any nominee or bare trustee for the relevant person or any other Associate of the relevant person;
 - (iv) if the relevant person is a company, any subsidiary or holding company of the relevant person and any other subsidiary of any such holding company;
 - (v) any person with whom the relevant person or any Associate of the relevant person is connected, the question of whether any such person is so connected falling to be determined for this purpose in accordance with the provisions of section 839 Income and Corporation Taxes Act 1988; and
 - (vi) any person with whom the relevant person is acting in concert (such expression to have the same definition and meaning as that ascribed thereto in the City Code on Take-overs and Mergers as for the relevant time being current);
- (d) the expression "a Controlling Interest" means Shares (or the right to exercise the votes attaching to Shares) which confer in the aggregate 50 per cent or more of the total voting rights conferred by all the Shares in the capital of the Company for the relevant time being in issue and conferring the right to vote at all general meetings.

7.2 Notwithstanding anything to the contrary contained in these Articles, save with the approval of the holders of not less than three quarters of the total number of Shares for the relevant time being in issue, no Buyer shall be entitled or permitted to acquire, and no person shall transfer any Shares (or any interest therein) if, as a result, a Buyer (any Shares or any interest in any Shares held by an Associate of the Buyer being treated as being held by the Buyer for this purpose) would acquire a Controlling Interest in the Company (otherwise than pursuant to a Permitted Transfer) unless and until the Buyer has first made offers, in accordance with articles 7.3 and 7.4 to all the holders of all Shares in the Company at the relevant time (of whatever class) (other than the Buyer if he is already such a holder) to purchase from them their entire holdings of Shares in the capital of the Company.

7.3 Each such offer as is referred to in article 7.2 (an "**Offer**") must provide for the consideration per Share to be not less than the highest consideration given or agreed to be given by the Buyer for Shares of that class during the period when the Offer remains open for acceptance or within 12 months prior to its commencement (the "**relevant period**"). For these purposes, "**highest consideration**" means:

- (a) if only cash is offered under the Offer, or if the Buyer has acquired any Shares of that class for cash in the relevant period, the highest amount of cash per Share thus offered or paid;
- (b) if, in the absence of this article, a non-cash consideration with a cash alternative would be offered under the Offer, or if the Buyer has acquired

any Shares of that class for cash in the relevant period, the highest amount of cash per Share thus offered or paid;

- (c) if, in the absence of this article, a non-cash consideration with no cash alternative would be offered under the Offer, but the Buyer has acquired any Shares of that class for cash in the relevant period, the highest amount of cash per Share thus paid; and
- (d) if, in the absence of this article, a non-cash consideration with no cash alternative would be offered under the Offer, and the Buyer has not acquired any Shares of that class for cash in the relevant period, the highest non-cash consideration per Share thus offered.

7.4 In addition, any Offer must be made in writing, must be open for acceptance and irrevocable for a period of not less than 30 and not more than 60 days, must not save with Investor Approval contain any requirement for any holder of Shares (other than where a Member of his Associate has been involved in the management of the Company within 18 months of the date of the Offer) to give any representation, warranties or undertakings other than as to their capacity and capability to sell the relevant Shares and all rights thereto and interests therein free from any option, lien, charge or other encumbrance and must not be subject to any condition save only, if the Buyer so wishes, that acceptances must be received for a specified percentage of all the Shares in respect of which the Offer is made.

7.5 If within 60 days of the making of an Offer, the Buyer has not acquired a Controlling Interest then such Offer shall be deemed not to have been made to the extent that the Buyer shall not be entitled to acquire a Controlling Interest at any time thereafter unless and until he has made further Offers.

7.6 If a Buyer receives (within the period of 60 days referred to in article 7.5) acceptances of an Offer which will result in the Buyer together with his Associates owning not less than 75 per cent of all the issued share capital of the Company then the Buyer may extend the Offer to the extent that, if within 30 days of the expiry of such period of 60 days, the Buyer gives written notice to those Members who have not accepted the Offer requiring them so to do, then each of such non-accepting Members shall upon the giving of such notice:

- (a) be deemed to have accepted the same in respect of all Shares held by him in accordance with the terms of the Offer; and
- (b) become obliged to deliver up to the Buyer an executed transfer of such Shares and the certificate(s) in respect of the same.

7.7 If any such non-accepting Member as is referred to in article 7.6 shall not, within 14 days of becoming required to do so, execute transfers in respect of the Shares held by such Member, then the Directors shall be entitled to, and shall, authorise and instruct such person as they think fit to execute the necessary transfer(s) on his behalf and, against receipt by the Company (on trust for such Member) of the purchase moneys payable for the relevant Shares, deliver such transfer(s) to the Buyer (or its agents) and register the Buyer (or its nominees) as the holder thereof, and after the

Buyer (or its nominees) has been registered as the holder the validity of such proceedings shall not be questioned by any person.

- 7.8 In calculating the price at which an Offer is required to be made for the purposes of this article there shall be brought into account any other consideration (in cash or otherwise) received or receivable by any Member or former Member (or any Associate of such member or former Member) which, having regard to the substance of the relevant transaction as a whole, can reasonably be regarded as part of the consideration paid (or provided) or payable (or to be provided) for the Shares in question.
- 7.9 Any transfer of a Share (or an interest therein) made, or required to be made, pursuant to articles 7.6 and/or 7.7 shall be treated as a 'Permitted Transfer' for the purposes of article 5.1. Subject thereto, any other transfer of a Share (or any interest therein) pursuant to and by way of acceptance of an Offer shall not be a Permitted Transfer unless any such approval and/or consent as is referred to in article 4.5(e) has been given in relation thereto.
- 7.10 For the purpose of ensuring:
- (a) that no Buyer has acquired or may acquire a Controlling Interest otherwise than as permitted by this article (and to that end for the purpose of determining whether one person is an Associate of another); or
 - (b) that a price offered or proposed to be offered for any Shares is in accordance with article 7.3;

the Directors or an Investor Majority may from time to time require any Member to furnish to the Company such information and evidence as the Directors or an Investor Majority may reasonably think fit regarding any matter which they may deem relevant for such purposes.

8. Lien

- 8.1 The Company shall have a first and paramount lien on every Share (whether or not a fully paid Share) for all moneys (whether presently payable or not) payable or otherwise owing by the holder of such Share (or any Associate of such holder) to the Company or any other Group Company. The Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a Share shall extend generally as aforesaid as well as to any amount payable in respect of it.
- 8.2 The Company may sell any Shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 Clear Days after notice in writing has been given to the holder of the Share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Shares may be sold. The provisions of article 5 shall apply to any sale of Shares made by the Company pursuant to this article (on the basis that a Mandatory Transfer Notice shall be

deemed to have been given upon the expiry of such period of 14 days as is above referred to).

9. Forfeiture

The provisions of article 5 shall apply in relation to any proposed sale re-allotment or other disposal of a Share pursuant to Regulation 20 of Table A (on the basis that a Mandatory Transfer Notice in respect of such Share shall be deemed to be given on such date as the Directors determine for this purpose).

10. Appointment and retirement of Directors

10.1 The Directors shall have power at any time, and from time to time, to appoint any person (willing to act) to be a Director, either to fill a casual vacancy or as an additional Director.

10.2 The Company may by ordinary resolution appoint a person (willing to act) to be a Director either to fill a vacancy or as an additional Director.

10.3 No Director shall be required to vacate his office as a Director, nor shall any person be ineligible for appointment as a Director, by reason of his having attained any particular age.

11. Removal of Directors

In addition or provided in Regulation 81 of Table A, the office of a Director shall also be vacated if:

- (a) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- (b) in the case of a person who is also an employee of the Company or another Group Company, he ceases to be such an employee and the Directors resolve that his office be vacated; or
- (c) all the other Directors unanimously resolve that his office be vacated.

12. Proceedings of Directors

The Directors, or a committee of the Directors, may hold meetings by telephone either by conference telephone connection(s) or by a series of telephone conversations or by exchange or facsimile transmissions addressed to the chairman. The views of the Directors, or a committee of the Directors, as ascertained by such telephone conversations or facsimile transmissions and communicated to the chairman shall be treated as votes in favour of or against a particular resolution (as appropriate). A resolution passed at any meeting held in this manner and signed by the chairman shall be as valid and effectual as if it had been passed at a meeting of the Directors (or, as the case may be, of that committee) duly convened and held. Such a meeting shall be

deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is then present.

13. Indemnity

- 13.1 Subject to the provisions of the Act, every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company out of its own funds for all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) 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 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.
- 13.2 Without prejudice to the provisions of article 13.1 above, the Directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company or of any subsidiary undertaking of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any such subsidiary undertaking.
- 13.3 Subject to the provisions of the Act, a Director shall (in the absence of some other material interest as is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any Directors of the Company provided that for the purposes of this article 13.3 insurance shall mean only insurance against the liability incurred by a Director in respect of any such act or omission by him as is referred to in article 13.2 above or any other insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any groups of persons consisting of or including Directors of the Company.

14. Subsidiaries

The Company shall procure that each other Group Company shall comply with those provisions of these Articles which are expressed to apply to a Group Company and that no Group Company shall do or permit to be done any act, matter or thing which if it were done or permitted to be done by the Company would constitute a breach by the Company of any provision of these Articles or would require any consent, approval or sanction under these Articles, unless in such latter case such consent, approval or sanction has first been obtained.

15. General power of attorney

Notwithstanding any other provision in these Articles, each Member irrevocably and by way of security appoints the Company as his attorney to do whatever the Directors (with Investor Approval) deem necessary or desirable (if and to the extent that the Member does not do so) to transfer title (whether legal or beneficial) to Shares which the Member is obliged to transfer in accordance with these Articles, and in connection with such transfer. Without prejudice to the generality of the foregoing, the Company as attorney may on the Member's behalf give receipts in writing in connection with, and execute any documents required to effect, such transfer.