

Company Number: 4918025

THE COMPANIES ACTS 1985 AND 1989

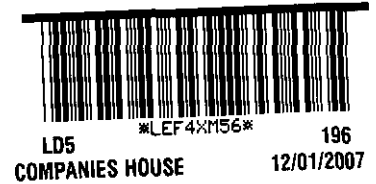
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

CELADOR MUSIC AND EVENTS LIMITED

(As amended by Written Resolution passed on 14 December 2006)



1 **Preliminary**

1.1 In these Articles:

"**Act**" means the Companies Act 1985 (as amended);

"**"A" Director**" means a Director appointed by the "A" Shareholder;

"**"A" Shareholder**" means (subject to Article 1.2) the holder for the time being of all the "A" Shares;

"**"A" Shares**" means "A" Ordinary Shares of £1 each in the capital of the Company;

"**Auditors**" means the auditors of the Company for the time being and from time to time;

"**"B" Director**" means a Director appointed by the "B" Shareholder;

"**Board**" means the Board of Directors of the Company for the time being and from time to time;

"**"B" Shareholder**" means (subject to Article 1.2) the holder for the time being of all of the "B" Shares;

"**"B" Shares**" means "B" Ordinary Shares of £1 each in the capital of the Company;

"**Business Day**" means any day other than a Saturday, Sunday or public holiday in England;

"Buyer" means a party acquiring Shares in accordance with these Articles;

"Defaulting Shareholder" means any Shareholder which is (or is deemed under the terms of these Articles to be) in default or in breach of its obligations under the relevant provisions of these Articles;

"Director" means an "A" Director or a "B" Director, as the case may require, and **"Directors"** shall be construed accordingly;

"Event of Default" means all or any of the matters set out in Article 9.1;

"Group" means in relation to any company, that company and any company which is a holding company or subsidiary or subsidiary undertaking of that company and any subsidiary or subsidiary undertaking of any such holding company (and **"Group Company"** shall be construed accordingly) and for the purposes of this agreement **"subsidiary"** and **"holding company"** have the meanings given to those expressions by sections 736 and 736A of the Act and **"subsidiary undertaking"** has the meaning given to that expression by section 258 of the Act;

"Insolvency Event" means, in respect of any Shareholder,

- (a) an order is made or a resolution is passed for the winding up of that Party or circumstances arise which entitle a court of competent jurisdiction to make a winding-up order of that Party;
- (b) an order is made for the appointment of an administrator to manage the affairs, business and property of a Party or documents are filed with a court of competent jurisdiction for the appointment of an administrator of that Party or notice of intention to appoint an administrator is given by that Party or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986);
- (c) a receiver is appointed of any of the Party's assets or undertaking if circumstances arise which entitle a court of competent jurisdiction or a creditor to appoint a receiver or manager of that Party or if any person takes possession of or sells that Party's assets;
- (d) that Party makes any arrangement or composition with its creditors or makes an application to a court of competent jurisdiction for the protection of its creditors in any way; or
- (e) that Party ceases to trade.

In respect of any individual, an Insolvency Event shall mean that he or she has become bankrupt or has made any arrangement or composition with his or her creditors;

"Preference Shares" means preference shares of £1 each in the capital of the Company;

"Preference Shareholder" means the holder for the time being of Preference Shares;

"Sale Price" has the meaning set out in the applicable paragraph of schedule 1;

"Sale Shares" means the Shares specified (or deemed to be specified) in a Transfer Notice;

"Shareholders" means the "A" Shareholder and the "B" Shareholder together and **"Shareholder"** shall mean either of them;

"Shares" means "A" Shares or "B" Shares or, as the context requires, "A" Shares and "B" Shares;

"Table A" means Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 and references to regulations are to regulations in Table A;

"Transfer" means a transfer of the entire legal and beneficial ownership of any Share;

"Transfer Notice" means a notice given (or deemed to be given pursuant to article 8; and

"Transferor" means a Shareholder which has given (or is deemed to have given) a Transfer Notice in relation to any Shares or which otherwise wishes or is obliged to Transfer any Shares in accordance with these Articles.

- 1.2 If at any time the "A" Shares or the "B" Shares shall be held by more than one member, references in these Articles to the "A" Shareholder or the "B" Shareholder shall, unless the context otherwise requires, be construed as references to all the holders of the "A" Shares or the "B" Shares (as the case may be) acting by the decision of the holders of a majority of the relevant Shares.
- 1.3 Regulations 2, 3, 17, 24, 38, 39, 40, 41, 42, 43, 45, 50, 54, 64 to 66 inclusive, 68, 69, 72, 73 to 80 inclusive, 84, 87, 88 to 91 inclusive, 101 and 118 shall not apply to the Company, but these Articles and the remaining regulations of Table A, subject to the modifications set out below shall constitute the Articles of Association of the Company.
- 1.3A In accordance with section 91 of the Act, section 89(1) and section 90(1) to (6) of the Act shall not apply to any allotment of equity securities (as that term is defined in section 94 of the Act) by the Company.
- 1.4 In regulation 1:
 - (a) the words "and in the articles adopting them" shall be inserted after the word "regulations";
 - (b) the sentence "Any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension of that provision for the time being in force"

shall be inserted at the end of that regulation; and

- (c) **"execution"** includes both signature under hand and execution under seal and any document required by Table A to be executed under seal may also be executed as a deed on behalf of the Company by being signed by two Directors or a Director and the secretary but so that at least one "A" Director must sign every such document.

- 1.5 For the purposes of these Articles and the Statutes, where for any purpose an ordinary resolution of the Company is required, a special or extraordinary resolution shall also be effective, and where an extraordinary resolution is required a special resolution shall also be effective.

2 Share Capital

- 2.1 The authorised share capital of the Company at the date of the adoption of these Articles is £639,643 divided into 8,000 "A" Shares, 2,000 "B" Shares and 629,643 Preference Shares.
- 2.2 The "A" Shares and the "B" Shares shall be separate classes of Shares but except as otherwise provided in those Articles, both classes shall carry the same rights and privileges and shall rank *pari passu* in all respects.

3 The Preference Share

- 3.1 A Preference Shareholder shall not be entitled to any dividends on any Preference Share held by them.
- 3.2 A Preference Shareholder shall be entitled to receive notice of and to attend any general meetings of the Company but shall not have the right to speak or vote (whether on a show of hands or on a poll) at such general meetings in respect of their holdings of Preference Shares.
- 3.3 The Company may, at any time upon ten (10) Business Days' prior written notice to a Preference Shareholder, redeem all or some of the Preference Shares then outstanding. All Preference Shares shall, in any event, be redeemed by the Company on or before the tenth anniversary of the date of issue of such Preference Shares.
- 3.4 Redemption of the Preference Shares is subject to any restrictions on redemption set out in the Act. Where, because of such restrictions, the Company is unable to redeem Preference Shares otherwise required to be redeemed by these Articles, the Company shall redeem as many of the Preference Shares as, subject to such restrictions, it can and the balance as soon as possible after the date when those restrictions cease to apply.
- 3.5 Each Preference Share shall be redeemed in cash at the subscription price.
- 3.6 Upon delivery of a Preference Share certificate to the Company Secretary for redemption (or an indemnity in a form reasonably satisfactory to the Board of Directors in respect of any lost Preference Share certificate) the Company shall pay to the holder thereof (or the first named holder in the register of members of the Company if more than one) the amount due to him in respect

of such redemption and shall cancel the share certificate. Pending delivery of such Preference Share certificate or indemnity in respect of any Preference Shares to be redeemed, the Company shall on the date of redemption pay the amount due in respect of the redemption of those Preference Shares into a separate bank account in the Company's name and if and when the holder shall deliver up his Preference Share certificate or certificates and/or indemnity for the relevant Preference Shares to the Company he shall thereupon be paid such amount, without interest. If any Preference Share certificate and/or indemnity so delivered to the Company includes any Preference Shares which are not to be redeemed on that occasion a fresh Preference Share certificate for such unredeemed Preference Shares shall be issued to the holder, without charge, as soon as practicable and in any event within fifteen (15) Business Days of redemption.

3.7 On a distribution of assets of the Company among its members on a winding up or other return of capital (other than a redemption or purchase by the Company of its own shares), a Preference Shareholder shall be entitled, in proportion to the numbers of Preference Shares held by each of them and in priority to any holder of any other class of shares, to receive an amount equal to the subscription price of each Preference Share.

3.8 The Directors may in their absolute discretion and without assigning any reason therefor, refuse to register any transfer of any Preference Share.

4 Variation of Class Rights

4.1 Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may only be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of three quarters of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the issued shares of that class, but not otherwise. To every such separate meeting, all the provisions of these articles relating to general meetings of the Company shall apply (with such amendments as may be necessary to give such provisions efficacy).

5 Lien and Forfeiture

5.1 The lien conferred by regulation 8 shall apply to:

- (a) all Shares of the Company whether fully paid or not;
- (b) all Shares registered in the name of any person indebted or under liability to the Company, whether the sole registered holder or one of several joint holders of the relevant Shares; and
- (c) all Preference Shares.

5.2 The Directors shall not without the prior consent in writing of the "B" Shareholder be entitled to sell any "A" Shares on which the Company has at the relevant time a lien. Regulation 9 shall be modified accordingly.

5.3 The Directors shall not without the prior consent in writing of the "B" Shareholder be entitled to exercise any right of forfeiture in respect of "A" Shares from time to time or to sell, re-allot or otherwise dispose of any "A" Shares which have from time to time been forfeited. Regulations 19 and 20 shall be modified accordingly.

5.4 The provisions of Articles 5.2 and 5.3 shall apply (with the necessary changes) to "B" Shares as if references in those Articles to the consent of the "B" Shareholder were to the consent of the "A" Shareholder.

6 Transfer of Shares

6.1 Each of the Shareholders undertakes with the other Shareholder that, so long as it holds Shares, it shall not:

- (a) sell, transfer or otherwise dispose of all or any of its Shares or any legal or beneficial interest in them or assign or otherwise purport to deal with them or with any interest in them;
- (b) enter into any agreement with respect to the voting rights attached to all or any of its Shares; or
- (c) agree, whether conditionally or otherwise, to do any of the above;

other than, in any case, with the prior consent in writing of the other Shareholder or in accordance with these Articles.

6.2 Any corporate Shareholder may at any time Transfer all of its Shares (the "**Relevant Shares**") to any member of its Group (the "**Transferee**") and that Transferee may at any time Transfer all of the Relevant Shares to the original shareholder or to another Group Company provided that:

- (a) the Transferee shall execute a deed confirming to the other Shareholder that it shall be bound by these articles as a Shareholder in respect of the Shares transferred; and
- (b) the Transfer shall be of all of the Shares held by the Transferee.

6.3 If Relevant Shares have been transferred under article 6.1 (whether directly or by a series of transfers) by a Shareholder (the "**Original Shareholder**") to a Transferee and subsequently the Transferee ceases to be a member of the Group of the Original Shareholder then the Transferee shall forthwith transfer the Relevant Shares to the Original Shareholder (at the option of the Original Shareholder) or to another member of its Group.

7 Voluntary Transfers

7.1 The Shareholders each agree that if either of them wishes to Transfer all of its Shares to any third party from which a bona fide offer has been received, the following steps shall apply. The Shareholders agree that any Transfer of Shares shall be for all (but not some only) of that Shareholders' Shares. The proposed Transferor shall serve on the Board (acting for the purposes of this article 7 as agent for the Company), and on the Auditors for information purposes and on

the other Shareholder (the "**Receiving Shareholder**") a notice in writing of its wish to Transfer all of its Shares accompanied by the relevant share certificate(s). Each Transfer Notice shall:

- (a) state the number of Shares which the Transferor wishes to Transfer;
- (b) constitute the Board as the Transferor's agent for the sale of the Sale Shares at the Sale Price (as defined below); and
- (c) give details of the other party to whom, and full details of the terms pursuant to which, the Transferor wishes to Transfer the Sale Shares.

7.2 A Transfer Notice once given or deemed to be given shall not be capable of being withdrawn and may not, in any circumstances, be varied. A Transfer Notice may not be given in circumstances where a Default Notice has been given in accordance with article 9 and the procedures and actions relating to that notice have not been completed.

7.3 Any Transfer of Shares pursuant to this article 7 shall be deemed to be made with the benefit of full title guarantee and free from any charges, claims, equities, liens and encumbrances whatsoever and with all rights attached to the Sale Shares as at the date of service of the Transfer Notice, but without the benefit of any other warranties or representations whatsoever.

7.4 Within 15 Business Days after the Sale Price has been determined in accordance with article 7.7 below or a Transfer Notice has been received in accordance with article 7.1 above the Board shall offer the Sale Shares to the Receiving Shareholder, giving details in writing of the number of Sale Shares, the Sale Price and of the person to whom the Transferor wishes to Transfer the Sale Shares. The Company shall, at the same time, invite the Receiving Shareholder to specify in writing to the Company within 30 Business Days from the date of that offer whether or not it is willing to purchase all (but not some only) of the Sale Shares at the Sale Price. If the Receiving Shareholder does not within 30 Business Days of the date of the above offer inform the Board that it wishes to purchase all the Sale Shares at the Sale Price, it shall be deemed to have declined the above offer.

7.5 The Board shall, on the expiry of the 30 day period referred to in article 7.4 above, notify the Transferor of whether or not the Receiving Shareholder is willing to purchase all the Sale Shares at the Sale Price. If the Receiving Shareholder is willing to purchase all (but not some only) of the Sale Shares, the Transferor shall be bound, on receipt of an amount equal to the Sale Price multiplied by the number of Sale Shares, to Transfer the Sale Shares to the other Shareholder within 30 Business Days.

7.6 If the Receiving Shareholder declines or is deemed to have declined the offer to purchase the Sale Shares pursuant to article 7.4 above or if payment for the Sale Shares is not received by the Transferor in accordance with article 7.5 above, the Transferor may sell and Transfer all (but not some only) of the Sale Shares at any time within the following three months to the person named in the Transfer Notice by way of a bona fide sale at any price per Share not being less than the Sale Price. Where the Receiving Shareholder (if it is the "B" Shareholder) declines or is deemed to have declined the offer to purchase the Sale Shares

pursuant to Article 7.4, it shall in these circumstances be entitled (but not obliged) to join with the Transferor in selling its Shares to the third party named in the Transfer Notice at a price per Share being not less than the price per Share being received by the Transferor and otherwise on the same terms (including as to the time of completion and the method of payment).

7.7 For the purposes of this article 7.7:

- (a) **"Sale Price"** means the price per Share (if any) for the Sale Shares as agreed between the Transferor and the Receiving Shareholder or, failing agreement within 30 Business Days of the service or deemed service of the relevant Transfer Notice, the price per Share (if any) for the Sale Shares as the Auditors (acting as independent experts and not as arbitrators) shall at the request of the Transferor notify in writing to the Board and to the Shareholders to be in the Auditors' opinion the fair selling value of the Sale Shares on the open market, having regard to the fair value of the business of the Company as a going concern and on the basis of an arm's length transaction as between a willing seller and a willing purchaser. For the purposes of this clause the Auditors shall (a) disregard the fact that the Sale Shares represent a minority or any particular proportion of the Company's issued share capital, as appropriate; and (b) take into account the effect and likely impact of both the departing Shareholder and the departing Shareholder's restrictive covenants on the business going forward. In the absence of manifest error, the determination of the Auditors shall be final and binding on all concerned. The cost of obtaining the certificate of the Auditors shall be borne by the Transferor. The Board and any Director (both of which are hereby authorised to provide such information) shall give the Auditors, and the Auditors shall take account of, all information which a prudent prospective purchaser of the entire issued share capital of the Company might reasonably require if that purchaser were proposing to purchase it from a willing seller by private treaty and at arm's length; and
- (b) any reference to a Shareholder being willing to purchase or wishing to purchase or receive a Transfer of Shares shall be deemed to include reference to that Shareholder being willing and able to procure the purchase at the Sale Price by a third party of all of the Sale Shares which are subject to the relevant Transfer Notice.

7.8 Each of the Shareholders appoints the other (or any Director or Directors nominated by that other) irrevocably, and by way of security for the performance of its obligations under this article 7 and as its attorney or attorneys, to execute any necessary document for the performance of those obligations, including any Transfer of Shares. The Transferor irrevocably authorises the Board to approve the registration of any transfer of Shares made in accordance with this article 7.

8 Transfer Completion Procedures

8.1 The purchase of the Sale Shares shall be completed as soon as reasonably practicable but in any event within 75 days of a Transfer Notice being received by the Receiving Shareholder under article 7 at a place and time to be appointed by the Board, when the Transferor shall deliver or cause to be delivered to the Buyer (or as it may direct) a duly executed Transfer in respect of the Sale Shares

in favour of the Buyer (or as it may direct) and accompanied by the relevant share certificate(s) or other document(s) of title and together with any power or authority under which the relevant Transfer has been executed, against which the Buyer shall deliver to the Transferor a bankers' draft or telegraphic transfer for value on the day of completion for an amount equal to the Sale Price multiplied by the number of Sale Shares adjusted (if applicable) to reflect the terms (including any alternative method of payment or deferred consideration) provided for under the terms of the Transfer Notice in accordance with article 7. The Transferor shall do all such other things and execute all such other documents as the Buyer may reasonably require to give effect to the sale and purchase of the Sale Shares. Subject to payment by the Buyer of any relevant stamp duties, the Buyer (or its nominee) shall then be registered as the holder of the Sale Shares in the Register of Members of the Company and a share certificate in the name of the Buyer in respect of the Sale Shares shall be delivered to the Buyer (or as it shall direct).

8.2 Each of the Shareholders shall procure that prior to, and as a condition precedent of, any Transfer of its Shares, any Buyer (other than an existing Shareholder) shall covenant to the remaining Parties to observe and be bound by the terms of this agreement in a manner reasonably satisfactory to the remaining Parties by executing a Deed of Adherence.

8.3 The Transferor irrevocably authorises the Board to approve the registration of any Transfer of shares made in accordance with this article 8.

8.4 As a condition precedent of any Transfer of Shares in accordance with this article 8:

- (a) the Transferor shall repay all loans, loan capital, borrowings and indebtedness in the nature of borrowings outstanding to the Company from the Transferor (together with any accrued interest on any of them);
- (b) the Company (if and to the extent that by so doing it shall not contravene section 151 Companies Act 1985) or the Buyer shall repay all loans, loan capital, borrowings and interest in the nature of borrowings outstanding to the Transferor from the Company (together with any accrued interest on any of them); and
- (c) the Transferor shall procure the removal of any Directors or Secretary of the Company appointed by it.

8.5 Each Shareholder shall procure that the Board only approves for registration a Transfer of Shares carried out in accordance with these Articles.

9 **Default Provisions**

9.1 In the event of either Shareholder:

- (a) having obtained an objective and reasonable opinion from a Counsel of 10 or more years standing to the effect that the other Shareholder has in that Counsel's reasonable opinion committed an act of gross or fraudulent misconduct or a material breach or is committing persistent breaches of this agreement which, if capable of remedy, have not been so

remedied within 30 Business Days of the other Shareholder serving notice on the Defaulting Shareholder requiring that remedy; or

- (b) being the subject of an Insolvency Event;

then that Shareholder shall be deemed to be a Defaulting Shareholder and the other Shareholder (the "**Serving Shareholder**") may, without prejudice to any other rights and remedies which it may have, serve a written notice ("**Default Notice**") on the Defaulting Shareholder at any time during the 30 Business Days following an Event of Default.

9.2 The Default Notice shall:

- (a) require the Defaulting Shareholder immediately to offer all (but not some only) of its Shares for sale to the Serving Shareholder, and in such cases the Defaulting Shareholder shall be deemed to have served a Transfer Notice as at the date of the Default Notice and in the circumstances referred to in article 9.1(b) immediately prior to the relevant Insolvency Event in respect of all of its Shares and the provisions of articles 7.3 to 7.7 and article 8 shall apply mutatis mutandis except that:

- (i) the Defaulting Shareholder shall sell its Shares to the Serving Shareholder at the Sale Price;
- (ii) the Serving Shareholder shall be deemed to have accepted the offer of the Sale Shares pursuant to article 7.4; and
- (iii) the purchase shall be completed on the date and at the place and time specified in the Default Notice, except that if by that date the Sale Price has not been ascertained, the purchase shall be completed at the place and time specified in the Default Notice on the date which falls ten Business Days after the Sale Price is notified to the Board and the Shareholders by the Auditors.

- (b) require the Defaulting Shareholder (if it is the A Shareholder) immediately to purchase all (but not some only) of the Serving Shareholder's Shares, and in such case the Default Notice shall be deemed to constitute a Transfer Notice served and the provisions of articles 7.3 to 7.7 and article 10 inclusive shall apply mutatis mutandis, except that:

- (i) the Serving Shareholder shall sell all of its Shares to the Defaulting Shareholder at the Sale Price;
- (ii) the Defaulting Shareholder shall be deemed to have accepted the offer of the Sale Shares pursuant to article 7.4; and
- (iii) the purchase shall be completed on the date and at the place and time specified in the Default Notice, except that if by that date the Sale Price has not been ascertained, the purchase shall be completed at the place and time specified in the Default Notice on the date which falls ten Business Days after the Sale Price is

notified to the Board and the Shareholders by the Auditors.

10 Disenfranchisement

10.1 In this article 10:

"Disenfranchisement Notice" means a notice served by the Serving Shareholder pursuant to article 10.2;

"Restricted Shares" means all the Shares in the ownership or under the control of a Defaulting Shareholder which is served with a Disenfranchisement Notice; and

"Serving Shareholder" means a Shareholder other than a Defaulting Shareholder.

10.2 If an Insolvency Event has occurred in relation to any Shareholder then such Shareholder shall be deemed to be a Defaulting Shareholder and (without prejudice to article 9 above) the Serving Shareholder may also serve on the Defaulting Shareholder a written notice in respect of the Defaulting Shareholder's Shares which shall automatically entitle the Serving Shareholder to exercise (in good faith and in the interests of the Company) all the rights of the Defaulting Shareholder in relation to the Restricted Shares and in doing so to exercise:

- (a) the right to attend and vote or appoint proxies or corporate representatives to attend and vote at general meetings of the Company (whether on a show of hands or on a poll and in the case of proxies only on a poll) as if it were the holder of the Restricted Shares; and
- (b) the right to remove Directors appointed by the Defaulting Shareholder and appoint its own nominated Directors as if it were the holder of the Restricted Shares.

10.3 The Receiving Shareholder on receiving a Disenfranchisement Notice duly served in accordance with this agreement shall be deemed on receipt of that notice to have appointed the Serving Shareholder (and each of its directors) as its lawful attorney (and representative pursuant to section 375 of the Act) for the purpose of receiving notices of and attending and voting at all meetings of the members of the Company from the date of service of the Disenfranchisement Notice and to have authorised:

- (a) the Company to send any notices in respect of the Restricted Shares to the Serving Shareholder; and
- (b) the Serving Shareholder to complete in such manner as it thinks fit and to return proxy cards, forms of appointment of a representative to attend a general meeting of the Company pursuant to section 375 of the Act, consents to short notice, written resolutions of shareholders and any other document required to be signed by it in its capacity as a member.

11 General Meetings

- 11.1 No business shall be transacted at any general meeting unless the requisite quorum is present when the meeting proceeds to business and also when that business is voted on. Two members present in person or by proxy, one being or representing the "A" Shareholder and one being or representing the "B" Shareholder shall be a quorum for all purposes. A corporation being a member shall be deemed to be personally present if represented in accordance with the provisions of section 375 of the Act.

If within thirty minutes from the time appointed for a general meeting a quorum is not present, the meeting shall be adjourned to the same day of the next week at the same time and place or such other place, date and time as the Shareholders shall agree and each Shareholder not present or represented at the meeting shall be notified by the Company by notice in writing of the date, time and place of the adjourned meeting. If at the adjourned meeting a quorum is not present within sixty minutes from the time appointed for the meeting, those Shareholders present shall constitute a quorum.

- 11.2 If a resolution submitted to a duly convened general meeting is not carried at that meeting, the meeting shall (on the written request of any person present in person or by proxy) be adjourned for three business days and then reconvened. If the relevant resolution is not carried at the adjourned meeting the provisions of article 9 shall apply.
- 11.3 The Shareholders shall use all reasonable endeavours to procure that their respective representatives attend each general meeting of the Company and that a quorum (in accordance with the provisions contained in article 10.3) is present throughout each general meeting.
- 11.4 A poll may be demanded at any general meeting by the Chairman of the meeting or by any member present in person or by proxy. Regulation 46 shall be modified accordingly.

12 Directors

- 12.1 Each of the A Shareholders and the B Shareholders shall have the right to appoint and maintain in office up to two Directors.
- 12.2 Each of the Shareholders:
- (a) shall have the right to remove from office any Director appointed by that Shareholder and (if that Shareholder wishes to do so) from time to time and for any reason to appoint a replacement Director (or replacement Directors) by giving notice in writing signed by a director or the company secretary of that Shareholder to the Company at its registered office or at a meeting of the Board;
 - (b) shall indemnify the Company against any loss, liability or cost which it may suffer or incur as a result of any claim by any A Director or Company Secretary in the case of any A Shareholder or by any B Director in the case of a B Shareholder for unfair or wrongful dismissal or otherwise arising out of any such removal.

- 12.3 The Directors shall not be entitled to any remuneration from the Company in their capacity as Directors
- 12.4 The quorum for the transaction of any business at any Board meeting shall be one Director.
- 12.5 The Chairman for meetings of the Board shall be appointed by the A Shareholder and shall be an A Director. In the case of an equality of votes the Chairman shall have a second or casting vote.
- 12.6 Any Director shall be entitled to vote and count as part of the quorum in respect of any matter in which such Director is interested in the transaction of any business at any Board meeting.

13 Alternate Directors

- 13.1 Any Director may, by giving notice in writing to the Shareholder who did not appoint him, appoint another Director to be an alternate and may, in the same way, remove an alternate so appointed by him. An alternate shall be entitled to receive notice of all meetings of the Board and attend and vote as such at any meeting at which the Director appointing him is not personally present, and generally in the absence of his appointor to do all the things which his appointor is authorised or empowered to do. A Director who is also an alternate shall be entitled in the absence of his appointor:
- (a) to a separate vote on behalf of his appointor in addition to his own vote; and
 - (b) to be counted as part of the quorum of the Board on his own account and in respect of the Director for whom he is the alternate.
- 13.2 If his appointor is for the time being absent from the United Kingdom or otherwise not available, the signature of an alternate Director to any resolution in writing of the Directors shall be as effective as the signature of his appointor. An alternate Director shall be deemed to be a Director for the purpose of signing instruments under this article 13. A person who holds office only as an alternate Director shall, if his appointor is not present, be counted for the purposes of determining whether there is a quorum of Directors at any meeting as if he were (if appointed by an "A" Director,) an "A" Director or (if appointed by a "B" Director) a "B" Director.
- 13.3 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified to the same extent (with the necessary changes) as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration, except only such part (if any) of the remuneration otherwise payable to his appointor as that appointor may by notice in writing to the Company from time to time direct.

14 Notices

- 14.1 Every Director of the Company shall be entitled to receive notices of general

meetings (at his usual address or such other address as he may notify to the Company) in addition to the persons so entitled under the Statutes. The third sentence of regulation 112 shall be deleted.

- 14.2 Any notice required by these articles to be given by the Company may be given by any visible form on paper, including facsimile, and a notice communicated by such forms of immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111 and 112 shall be modified accordingly.

15 Indemnity

- 15.1 Subject to the provisions of, and so far as may be consistent with, the Statutes but without prejudice to any indemnity to which a Director may be otherwise entitled, every Director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without limitation) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgement 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.