

No. 04949085

THE COMPANIES ACT 1985 (AS AMENDED)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

EUROPEAN WELLCARE LIFESTYLES LIMITED

(the "Company")

(Adopted by Special Resolution passed on 19 February 2004)

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Preliminary

- 1 1 Subject as provided in these Articles, the Regulations contained or incorporated in Table A in the Schedule of the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 ("Table A") shall apply to the Company.
- 1 2 Regulations 2, 17, 24, 25, 26, 38, 39, 40, 42, 50, 53, 60, 61, 64, 66, 68, 69, 73 to 78 (inclusive), 84, 88, 89, 90, 91, 94 to 96 (inclusive), 101 and 118 of Table A shall not apply to the Company
- 1 3 These Articles and the Regulations incorporated in them shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company (together the "Statutes")
- 1 4 In these Articles, where the context so permits, words importing the singular number only shall include the plural number, and vice versa, words importing the masculine gender only shall include the feminine gender, words importing persons shall include corporations and the expression "paid up" shall include credited as paid up.

2 Definitions

- 2 1 In these Articles the following expressions shall have the following meanings -

"Ordinary Shares" means the ordinary Shares of £1 00 each in the capital of the Company,

"Act" means the Companies Act 1985 (as amended by the Companies Act 1989),

"Auditors" means the auditors of the Company from time to time,

"Board" means the Directors present at a duly convened quorate meeting of the board of Directors or a duly appointed committee of the board thereof,

"Director" means a director from time to time of the Company,

"HW" means Healthcare Properties (Wellcare) Limited (incorporated and registered with the Registrar of Companies at Companies House in England and Wales under company number 04938303);

"Preferred Shares" means the redeemable preferred Shares of £1.00 each in the capital of the Company,

"Shares" means the Ordinary Shares and the Preferred Shares and any other Shares in the capital of the Company from time to time created, and

The terms **"subsidiary"**, **"subsidiary undertaking"**, **"parent undertaking"**, **"holding company"** and **"financial year"** shall have the meanings respectively attributed to them at the date of the adoption of these Articles by the Act

3 Shares

- 3 1 The authorised Share capital of the Company at the date of the adoption of these Articles is £301,000 divided into 1,000 Ordinary Shares of £1 each and 300,000 Preferred Shares of £1 each
- 3 2 The Ordinary Shares and the Preferred Shares shall be separate classes of Shares but save as hereinafter otherwise provided shall carry the same rights and privileges and shall rank *pari passu* in all respects.
- 3 3 The Company may by special resolution passed at separate general meetings of the holders of Shares of both classes (each voting separately as a class pursuant to Article 7.1) redesignate any Ordinary Share as a Preferred Share or any Preferred Share as an Ordinary Share
- 3 4 Notwithstanding any other provision of these Articles, and subject to any direction or authority contained in any resolution of the Company, the Board is generally and unconditionally authorised (for the purposes of section 80 of the Act) to allot relevant securities provided that
- 3 4 1 no Shares shall be issued at a discount or at a price lower than that at which such Shares were offered to the holders of existing Shares pursuant to the provisions of this Article; and
- 3 4 2 the authority hereby granted to the Board
- (a) shall not permit the Board to allot relevant securities in an amount which is in excess of the authorised but unissued share capital of the Company immediately following the adoption of these Articles, and
- (b) shall expire on the day preceding the fifth anniversary of the date of adoption of these Articles, save that the Board may, after the expiry of the authority hereby granted, allot relevant securities in pursuance of an offer or agreement made by the Company before such authority expired.
- 3 5 The provisions of section 89(1) and sections 90(1) to (6) (inclusive) of the Act shall not apply to the allotment of any shares issued under the authority contained in Article 3 4
- 3 6 Unless otherwise determined by special resolution and subject to Articles 6 2.
- 3 6 1 Any Shares unissued at the date of adoption of these Articles and any Shares hereafter created shall before allotment be offered for subscription in the first instance to the holders of the Ordinary and Preferred Shares respectively in proportion as nearly as the circumstances will admit to the total numbers of Ordinary and Preferred Shares respectively then in issue and as between the several holders of Shares of each such class in proportion to the numbers of Shares of the class then held by each of them respectively At the expiration of the time limit specified by such offer for the acceptance of such Shares, the balances of any Shares offered to the holders of Shares of a class but not so accepted shall be offered for subscription to the holders of the Shares of the class who have accepted all the Shares to which they are respectively entitled and who shall, if more than one, be entitled to subscribe for such balances of Shares in the proportion as nearly as the circumstances will admit to the number of Shares of the class in question then held (including any Shares accepted pursuant to the foregoing provisions of this Article) by each of them respectively

- 3.6.2 Any Shares offered to the holders of Shares of one class which shall remain unaccepted when the procedure described in Article 3.6.1 is exhausted shall be offered for subscription in like manner and on the same terms to the holders of the Shares of the other class
- 3.6.3 Any such offer as aforesaid shall be made by notice in writing specifying the number and class of Shares and the price at which the same are offered and limiting the time (not being less than 28 days unless the member to whom the offer is to be made otherwise agrees) within which the offer if not accepted will be deemed to be declined
- 3.6.4 Any Shares allotted to a person who is already a holder of Ordinary Shares shall be designated as Ordinary Shares and shall accordingly be subject to such of the provisions of these Articles as are applicable to the Ordinary Shares, any Shares allotted to a person who is already a holder of Preferred Shares shall be designated as Preferred Shares and shall accordingly be subject to such of the provisions hereof as are applicable to the Preferred Shares
- 3.7 Subject to the provisions of the Statutes and to Articles 5 and 6, the Company may purchase any of its own Shares (including any redeemable Shares) Regulation 35 shall be modified accordingly
- 3.8 The provisions of Articles 3.6 and 3.7 shall apply to all new Shares and all new Shares created on any increase of capital shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as if they had been part of the capital at the date of the adoption of these Articles of either Ordinary Shares or Preferred Shares.
- 3.9 Notwithstanding any Article or Regulation to the contrary:
- 3.9.1 any pre-emption rights conferred on existing members by these Articles or otherwise shall not apply to any transfer of a Share, and
- 3.9.2 save only where to do so would be unlawful for any reason, the Directors shall register the transfer of a Share
- (a) in favour of any person, bank or institution (or any nominee or nominees of such a person, bank or institution) to whom such Share is being transferred by way of security, or
- (b) duly executed by any such person, bank or institution (or any such nominee or nominees), to whom such Share (including any further Share in the Company acquired by reason of its holding of such Share) has been transferred as aforesaid, pursuant to the power of sale under such security,
- and written confirmation by such person or any official of such bank or institution that the Share is or is subject to such security and the transfer is executed in accordance with the provisions of this Article shall be conclusive evidence of such facts

4 Lien

- 4.1 The lien conferred by Regulation 8 shall
- 4.1.1 apply to all Shares of the Company, whether fully paid or not,
- 4.1.2 apply to all Shares registered in the name of any person indebted or under liability to the Company, whether he be the sole registered holder thereof or one of several joint holders,
- 4.1.3 be for all indebtedness or other liability to the Company of any member,
- and Regulation 8 shall be modified accordingly.

4 2 All Shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with Article 3 6 as if they were unissued Shares of the Company Regulation 9 shall be modified accordingly

4 3 Notwithstanding any Article or Regulation to the contrary, any lien on a Share which the Company has shall not apply in respect of any Share which has been charged by way of security to a person or their nominee or a bank or financial institution or a subsidiary of a bank or financial institution

5 Rights of Preferred Shares

5 2 The following rights shall be attached to the Preferred Shares:

5 2.1 as to voting: without prejudice to Articles 6 and 7, the Preferred Shares shall not confer any right to receive notice of or to attend or vote at any general meeting of the Company. For the avoidance of doubt, notwithstanding the foregoing, the provisions of Article 7 1 shall apply to any separate general meeting of the holders of Preferred Shares,

5.2.2 as to dividend: the Preferred Shares shall not confer any right to dividends,

5 2 3 on a winding up or return of capital: the Preferred Shares shall confer the right to be paid out of the assets of the Company available for distribution amongst the members the capital paid up on such Shares in priority to the holders of Ordinary Shares, but shall not confer any right to participate in any surplus remaining following payment of the amount of capital paid up thereon; and

5 2 4 as to redemption: provided the Company has sufficient after tax distributable profits available for the purpose, the Company may, by notice in writing and upon tendering to a registered holder of a Preferred Share the amount of capital paid up thereon, redeem (subject to the provisions of the Act) any Preferred Share at any time and such holder shall be bound to deliver up any certificate which he may have representing the same; and upon redemption the name of the registered holder shall be removed from the Register and the Preferred Shares which have been redeemed shall be cancelled

6 Action requiring class vote

6 1 The passing of any resolution of the Company in general meeting (whether such resolution be proposed and passed as a special, extraordinary, ordinary or elective resolution) shall be deemed to constitute a variation of class rights and may be taken only with the prior consent in writing of the holders of

6 1 1 three-fourths of the Ordinary Shares for the time being in issue and three-fourths of the Preferred Shares for the time being in issue, or

6 1 2 the sanction of extraordinary resolutions passed at separate general meetings of the holders of Ordinary Shares and Preferred Shares (each voting separately as a class pursuant to Article 7 1)

6 2 Notwithstanding anything contained in these Articles, no decision or resolution of the Directors or any committee of the Directors affecting the matters enumerated below shall be effective without the consent of the holders of Preferred Shares

6 2 1 the creation or issue of any Shares or the grant or agreement to grant any option over Shares or any uncalled capital of the Company or the issue of any obligations convertible into Shares,

6 2 2 the alteration of the Memorandum of Association or of these Articles,

6 2 3 the declaration or payment of any dividend or the making of any distribution,

- 6 2 4 the sale or purchase or mortgaging or charging of any freehold or leasehold property or of any interest therein,
- 6 2 5 the giving of any guarantee or indemnity,
- 6.2.6 the approval of any transaction or dealing of an unusual or long term nature,
- 6 2 7 the commencement by the Company of any new type of business;
- 6.2.8 the borrowing of any money in excess of £1,000,000;
- 6.2 9 the lending of any moneys (otherwise than by way of deposit with a bank or other institution the normal business of which includes the acceptance of deposits);
- 6.2.10 the alteration of any mandate given to the Company's bankers relating to any matter concerning the operation of the Company's bank account,
- 6.2 11 the factoring or assignment of any of the book debts of the Company,
- 6 2.12 the making of any capital commitment other than in the ordinary course of business,
- 6 2 13 the disposal of any assets of the Company otherwise than in the ordinary course of business,
- 6 2 14 the sale or disposal of the whole or a substantial part of the undertaking or the assets of the Company,
- 6 2.15 the amalgamation or merger of the Company with any other company or concern,
- 6 2 16 the appointment of a Managing Director, Manager or other executive officer (whether pursuant to Article 13 or otherwise),
- 6 2 17 the fixing or payment of the remuneration of any Director,
- 6 2 18 the payment of any service or consultancy fees in respect of any services supplied to the Company by or at the request of any of the members;
- 6 2.19 the making of any provision for the benefit of any persons which is permitted by section 719 of the Act,

in each case, other than those provided for by the terms of the Facility Agreement or any document referred to therein. Nevertheless no person having dealings with the Company shall be concerned to see or enquire whether any such majority did so dissent unless he shall have actual notice

7 Proceedings at meetings

- 7 1 To every separate general meeting of the holders of a separate class of Shares the provisions of these Articles with respect to notice of and proceedings at general meetings shall *mutatis mutandis* apply, but so that the requisite quorum shall be one person holding or representing one-quarter of the issued Shares of the class and that any holder of Shares of the appropriate class present or represented may vote and may demand a poll.
- 7 2 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or an elective resolution or a resolution appointing a person as a Director shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 days' notice but a general meeting may be called by shorter notice if it is so agreed
- 7 2 1 in the case of an annual general meeting or a meeting called for the passing of an elective resolution by all the members entitled to attend and vote thereat; and

- 7.2.2 in the case of any other meeting, by a majority in numbers of the members having a right to attend and vote, being a majority together holding not less than 95 per cent in nominal value of the Shares giving that right, or such lesser percentage, not being less than 90 per cent, as may be specified in or pursuant to any elective resolution passed by the Company

The notice shall specify the time and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it and, in the case of an annual general meeting, shall specify the meeting as such

Subject to the provisions of these Articles and to any restrictions imposed on any Shares, the notice shall be given to all members, to all persons entitled to a Share in consequence of the death or bankruptcy of a member and to the Directors and the Auditors

- 7.3 Regulation 41 shall be modified by the insertion at the end of that Regulation of the following sentence "If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved."
- 7.4 Subject to the provisions of Regulation 41, no business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. Two members entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, (of whom one at least shall be a holder of Ordinary Shares and one at least a holder of Preferred Shares) 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. Notwithstanding the foregoing, if the membership of the Company is at any time reduced to one, that one member present in person or by proxy shall be a quorum
- 7.5 The Chairman at every general meeting of the Company shall be a Director and shall be appointed by the holders of the Preferred Shares but failing such appointment by the holders of the Ordinary Shares
- 7.6 The Chairman at every general meeting of the Company shall not, in the case of an equality of votes, whether on a show of hands or on a poll, be entitled to exercise a second or casting vote
- 7.7 The holders of a majority of Shares of a separate class may appoint a Chairman to any separate general meeting of holders of that class.
- 7.8 A poll may be demanded at any general meeting (or any separate class meeting) by the Chairman or by any member present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a member entitled to vote. Regulation 46 shall be modified accordingly
- 7.9 At or before the time a proposed written resolution is supplied to a member for signature, the Directors and the secretary the Company shall, if the Company has Auditors, secure that a copy of the resolution is sent to them, or that they are otherwise notified of its contents.
- 7.10 A proxy shall be entitled to vote on a show of hands and Regulation 54 shall be modified accordingly
- 7.11 An instrument appointing a proxy may be in any usual or common form or in any other form which the Directors may approve
- 7.12 A resolution in writing signed or approved by letter, or facsimile by or on behalf of all the members entitled to vote on it if it had been proposed at a general meeting or class meeting, in each case at which he was present, shall be as effectual as if the same had been passed at a general meeting of the Company or class meeting (as the case may be) duly convened and held and may consist of several documents in the like form each executed by or on behalf of one or more members. In the case of a corporation the resolution may be executed on its behalf by a director or the secretary or by its duly appointed attorney or duly authorised representative. This Article is in addition to, and not limited by, the provisions in sections 381A, 381B and 381C of the

Act In the case of a Share held by joint holders the signature of any one of them on behalf of all such joint holders shall be sufficient for the purposes of that Regulation The Directors shall cause a record of each resolution in writing, and of the signatures to it, to be entered in a book in the same way as minutes of a general meeting of the Company and to be signed by a Director or the secretary of the Company.

- 7.13 A general meeting or a meeting of any class of members of the Company may consist of a conference between members some or all of whom are in different places provided that each member who participates is able

- (a) to hear each of the other participating members addressing the meeting; and
- (b) to address all of the other participating members simultaneously,

whether directly, by conference telephone or by any other form of communications equipment or by a combination of them

- 7.14 A quorum shall be deemed to be present if those conditions referred to in Article 7.13 are satisfied in respect of at least the number of members required to form a quorum.

- 7.15 A meeting held in the manner referred to in Article 7.13 is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the Chairman of the meeting participates

- 7.16 References in this Article to members shall include their duly appointed proxies and, in the case of corporate members, their duly authorised representatives

- 7.17 In Regulation 37 the words "within the United Kingdom shall be deleted"

8 Directors

- 8.1 Unless otherwise determined by ordinary resolution of the holders of the Preferred Shares, the number of Directors shall not be subject to any maximum and the quorum shall be one Director.

- 8.2 Without prejudice to the powers of the Company under section 303 of the Act to remove a Director by ordinary resolution, the holder or holders for the time being of more than one half of the issued Ordinary Shares shall have the power from time to time and at any time to appoint any person or persons as a Director or Directors and to remove from office any Director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by more than one half of the issued Ordinary Shares or (in the case of a member being a corporation) signed on its behalf by one of its directors or its secretary and shall take effect upon lodgment at the registered office of the Company or produced to a meeting of the Directors

- 8.3 The office of a Director shall be vacated if he is removed from office under Article 8.2 Regulation 81 shall be modified accordingly.

- 8.4 Notwithstanding anything contained in these Articles or in the Regulations, HW or its successor in title in respect of a charge over the Company's shares to be given to HW on or about the date of adoption of these Articles have the right to nominate and/or appoint such number of directors of any class as constitutes a majority of directors of the Company upon the charge being given

9 Powers and duties of Directors

Subject to the provisions of the Statutes, a Director may be interested directly or indirectly in any contract or arrangement or in any proposed contract or arrangement with the Company or with any other company in which the Company may be interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any subsidiary thereof) under the Company or any such other company and he or

any firm of which he is a member may act in a professional capacity for the Company or any such other company and be remunerated therefor. Notwithstanding his interest a Director may vote on any matter in which he is interested and be included for the purpose of a quorum at any meeting at which the same is considered and he may retain for his own benefit all profits and advantages accruing to him. Regulation 94 shall be modified accordingly.

10 Disqualification of Directors

Unless and until otherwise determined by the Company by ordinary resolution, either generally or in any particular case, no Director shall vacate or be required to vacate his office as a Director on or by reason of his attaining or having attained the age of 70, and any person proposed to be appointed a Director shall be capable of being appointed as a Director notwithstanding that he has attained the age of 70, and no special notice need be given of any resolution for the appointment as a Director of a person who shall have attained the age of 70, and it shall not be necessary to give to the members notice of the age of any Director or person proposed to be appointed to such

11 Alternate Directors

- 11.1 Any appointment or removal of an alternate Director made under Regulation 65 shall be delivered at the registered office of the Company and take effect therefrom. Any appointment of an alternate Director may provide for two or more persons in the alternative to act as an alternate Director.
- 11.2 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum
- 11.3 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 pursuant to Article 14. Save as aforesaid, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.
- 11.4 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 *mutatis mutandis* 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 such appointor may by notice in writing to the Company from time to time direct
- 11.5 Regulation 67 shall be modified by the deletion of the words "by rotation or otherwise".

12 Proceedings of Directors

- 12.1 The Directors may meet together for the dispatch of business, adjourn and otherwise regulate *their meetings and manner of dispatching business as they think fit*
- 12.2 The Directors may from time to time appoint committees consisting of one or more Directors and may delegate any of their powers to any such committee and from time to time revoke any such delegation and discharge any such committee wholly or in part. Any committee so formed shall, in the exercise of the powers so delegated, conform to any Regulations that may from time to time be imposed on it by the Directors but may meet and adjourn as it thinks proper. Any committee shall have power unless the Directors direct otherwise to co-opt as a member or members of the committee for any specific purpose any person or persons although not being a Director of the Company.
- 12.3 The Chairman at all meetings of the Directors and committees of the Directors shall be a Director

- 12.4 The Chairman at every meeting of the Board shall not, in the case of an equality of votes, whether on a show of hands or on a poll, be entitled to exercise a second or casting vote
- 12.5 The Directors shall not be liable to retire by rotation and accordingly the second and third sentences of Regulation 79 shall be deleted. No Director shall be appointed otherwise than as herein provided.
- 12.6 The continuing Directors (provided that there is a quorum as defined above) may act notwithstanding any vacancies, and Regulation 90 shall be modified accordingly.
- 12.7 For a signed resolution under Regulation 93 to be effective it shall not be necessary for it to be signed by a Director who is prohibited by the Articles or by law from voting thereon. Regulation 93 shall be modified accordingly
- 12.8 Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or similar form of communication equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chairman of the meeting then is.

13 Managing or executive Directors

- 13.1 Subject to compliance with Article 6.2
- 13.1.1 The Directors may from time to time appoint one or more of their number to an executive office (including that of Managing Director, Manager or any other salaried office) for such period and upon such terms as shall be thought fit, and subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed as a Managing Director shall (without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company) *ipso facto* cease to be Managing Director if he ceases from any cause to be a Director.
- 13.1.2 The Managing Director, Manager or other executive officer as aforesaid shall receive such remuneration whether by way of salary, commission or participation in profits or otherwise (either in addition to or in lieu of his remuneration as a Director), as the Directors may determine.
- 13.1.3 The Directors may entrust to and confer upon a Managing Director, Manager or other executive officer as aforesaid any of the powers exercisable by them upon such terms and conditions with such restrictions as they think fit and may from time to time withdraw, alter or vary all or any of such powers.

14 The seal

- 14.1 If the Company has a seal, it shall only be used with the authority of the Directors or a duly authorised and convened committee thereof. The Directors or a duly authorised and convened committee thereof may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the secretary or second Director. The obligation under Regulation 6 relating to the sealing of Share certificates shall apply only if the Company has a seal
- 14.2 If the Company has a common seal, the Company may also have an official seal for use abroad under the provisions of the Act, where and as the Directors or a duly authorised and convened committee thereof shall determine, and the Company may by writing under the common seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company, for the purpose of affixing and using such official seal, and may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is

made to the common seal of the Company, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid

15 Capitalisation of profits and reserves

On any occasion when Shares are allotted and distributed credited as fully paid up in accordance with Regulation 110 the Shares allotted to holders of Ordinary Shares shall forthwith on allotment automatically stand converted into Ordinary Shares and the Shares allotted to holders of Preferred Shares shall forthwith on allotment automatically stand converted into Preferred Shares

16 Notices

Every Director and every alternate Director shall be entitled to receive notices of general meetings at the address last notified in writing to the Company at its registered office in addition to the persons so entitled under the Acts. The third sentence of Regulation 112 shall be deleted

17 Indemnity

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 otherwise be 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 the duties of his office and/or the exercise of his powers and/or otherwise in relation thereto, or in connection therewith, including (without prejudice to the generality of the foregoing) any cost, charge, loss, expense and/or liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted (or alleged to have been done or omitted) by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from any cost, charge, loss, expense and/or liability in respect of any such act or omission (or allegation thereof) in which relief is granted to him by the court.

A "Notwithstanding anything contained in these Articles, the directors shall not decline to register any transfer of shares, nor may they suspend registration of it where the transfer

1 1 is to any bank, institution or other person which has been granted a security interest in respect of such shares, or to any nominee of such a bank, institution or other person (or a person acting as agent or security trustee for such person) (**Secured Institution**) (and a certificate by any such person or an employee of any such person that a security interest over the shares was so granted and the transfer was so executed shall be conclusive evidence of such facts), or

1 2 is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares, or

1 3 is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security,

and furthermore notwithstanding anything to the contrary contained in these Articles no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall be required to offer the shares which are or are to be the subject of any transfer aforesaid to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under the Articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not

B Notwithstanding anything contained in these Articles, the Company and the directors shall not be entitled to exercise any lien which the Company has in respect of its shares in relation to any transfer referred to in this article