

# **ZEN EAGA SOLAR LIMITED**

(Company Registration No: 5066562)

(the 'Company')

The Companies Act 1985 (as amended by the Companies Act 1989)

Private Company Limited by Shares

## **WRITTEN RESOLUTIONS OF THE COMPANY**

We, the undersigned, being the sole member of the Company on the date of these resolutions agree that the following resolutions shall have effect as written resolutions of the Company in accordance with section 381A of the Companies Act 1985.

### **Resolutions**

1. That the draft regulations attached to the Written Resolutions be adopted as the new articles of association of the Company in substitution for and to the exclusion of the existing articles of association.
2. That the issued share capital of the Company of 2 ordinary shares of £1.00 each be redesignated as 2 "A" ordinary shares of £1.00 each, having the rights and being subject to the restrictions attached to them by the articles of association as adopted by resolution 1;
3. That the existing unissued share capital of the Company of 998 ordinary shares of £1.00 each be redesignated as 498 "A" ordinary shares of £1.00 each and 500 "B" ordinary shares of £1.00 each, having the rights and being subject to the restrictions attached to them by the articles of association as adopted by resolution 1;
4. That the authorised share capital of the Company be increased to £25,000 by the creation of an additional 24,000 ordinary shares of £1.00 each having the rights and being subject to the restrictions attached to them by the articles of association as adopted by resolution 1.

Signed:.....

**Robert Skelly (Director)**  
For and on behalf of  
**Eaga Partnership Limited**

Date: 20 May 2004



**THE COMPANIES ACT 1985**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**NEW**  
**ARTICLES OF ASSOCIATION**  
**Of**  
**ZEN EAGA SOLAR LIMITED**

**COMPANIES HOUSE**

02/10/04

(Adopted by Special Resolution passed on 20 May 2004)

**1     Preliminary**

The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985) shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or articles of association. References herein to 'regulations' are to regulations in the said Table A.

**2     Private company**

The Company is a private company within the meaning of Section 1(3) of the Companies Act 1985.

**3     Interpretation**

(1) In the first line of regulation 1 after the word "regulations" the words "and in any articles adopting in whole or in part the same" shall be inserted.

(2) In these Articles:

(a) unless the context otherwise requires the following expressions have the following meanings:

'A Director'	means any director appointed and holding office from time to time pursuant to Article 16(1);
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'Additional Director'	means any director appointed and holding office from time to time pursuant to Article 16(3);
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| ‘A Shares’               | means the A Shares of £1 each in the share capital of the Company from time to time;   |
| ‘B Director’             | means any director appointed and holding office from time to time pursuant to Article 16(2);   |
| ‘B Shares’               | means the B Shares of £1 each in the share capital of the Company from time to time;   |
| ‘deemed transfer notice’ | means a transfer notice deemed to be given under any provision of these Articles;  |
| ‘paid up’                | means, in relation to a share, paid up or credited as paid up;   |
| ‘Representatives’        | means, in relation to a member, any person or persons who have become entitled to his shares in consequence of his death, bankruptcy or mental incapacity; |
| ‘share’                  | means a share in the capital of the Company of whatever class; and   |
| ‘transfer notice’        | has the meaning attributed thereto in Article 10(1) and includes, where the context admits, a deemed transfer notice.                                      |
- (b) words or expressions the definitions of which are contained or referred to in the Act shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles.
- (c) words importing the singular include the plural, words importing any gender include every gender, and words importing persons include bodies corporate and unincorporate; and (in each case) vice versa.
- (d) references to Articles are references to these Articles and references to paragraphs and sub-paragraphs are, unless otherwise stated, references to paragraphs of the Article or references to sub-paragraphs of the paragraph in which the reference appears.

#### **4 Share capital**

The authorised share capital of the Company at the date of adoption of these Articles is £25,000 divided into 500 A Shares of £1 each 500 B Shares of £1 each and 24,000 ordinary shares of £1.00 each. The A Shares, the B Shares and the ordinary shares shall be separate classes of shares and shall carry the respective voting rights and rights to appoint and remove directors and be subject to the restrictions on transfer hereinafter provided, but in all other respects shall rank pari passu (according to the nominal value of each share).

#### **5 Issue of new shares**

- (1) The authorised and issued share capital of the Company shall consist of A Shares and B Shares in equal proportions.
- (2) All unissued shares in the capital of the Company from time to time shall be issued only to holders of A Shares and B Shares in equal numbers and at the same price and otherwise on the same terms unless the holders of the A Shares and B Shares otherwise agree. After the first issue of shares made by the directors, no share of any class shall be issued otherwise than to members holding shares of the same class except with the prior written consent of all the members.
- (3) Subject as aforesaid to Section 80 of the Act, all unissued shares shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think fit provided that no shares shall be issued at a discount.
- (4) Section 89(1) and sub-section (1) to (6) of Section 90 of the Act shall not apply to the Company.

#### **6. Alteration of share capital**

Except with the prior written consent of all the holders of A Shares and B Shares the powers referred to in regulations 3, 32, 33, 34, 35 and 110 shall be exercised only in such a manner as to maintain the proportions specified in Article 5(1).

#### **7 Lien**

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

#### **8 Transfer of shares**

- (1) No member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under these Articles or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to paragraph (6) and Article 11):
  - (a) as permitted by Article 9;
  - (b) as permitted by Article 10;
  - (c) as permitted by paragraph (3);
- (2) If a member at any time attempts to deal with or dispose of a share or any interest therein or right attaching thereto otherwise than as permitted by these Articles he shall be deemed immediately prior to such attempt to have given a transfer notice in respect of such share.
- (3) A member may, on giving written notice to the Company, at any time and from time to time create an equitable charge or a floating charge on or over any of the shares registered in his name subject to the following terms and conditions:
  - (a) such member shall remain the registered holder of the shares the subject of the charge (the '**Charged Shares**') and the terms of the charge shall not place the member under any obligation to exercise any of the voting rights attached to the Charged Shares in accordance with the directions or subject to the consent of the person entitled to the charge (the '**Chargee**') or any other person;
  - (b) in the event that the Chargee shall become entitled to realise his security or otherwise exercise his rights as chargee and seeks to do so, such member shall be deemed to have immediately given a transfer notice in respect of all the Charged Shares;
  - (c) the Chargee shall enter into direct covenants with the Company and the members to give effect to any transfer of the Charged Shares pursuant to paragraph (14)(a) of Article 10 which arises as a result of a deemed transfer notice free from the charge;
  - (d) the Company shall receive the sale proceeds in respect of any transfer as is mentioned in sub-paragraph (c) and shall remit the same to the Chargee (or as he shall direct) against receipt of a binding release of the charge and delivery of the certificates relating to the Charged Shares and any transfers thereof executed by the registered holders thereof, but the Company shall not be liable to see to the application of such proceeds.

- (4) For the purpose of ensuring that a particular transfer of shares is permitted hereunder the directors may require the transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information and evidence as the directors may think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question.
- (5) Where a transfer notice in respect of any share is deemed to have been given under any provision of these Articles and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same such transfer notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually become aware of such facts and the provisions of Article 10 shall apply accordingly.
- (6) The directors shall not refuse to register any transfer of a share which is permitted under these Articles but may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which would otherwise be permitted hereunder if it is a transfer:
  - (a) of a share on which the Company has a lien;
  - (b) of a share (not being a fully paid share) to a person of whom they shall not approve. The first sentence of regulation 24 shall not apply.
- (7) If a member or any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a transfer notice he shall forthwith give written notice thereof to the directors.
- (8) Except as provided in Article 9, a member shall not be entitled to transfer part only of the shares held by him from time to time.

## **9 Permitted transfers**

- (1)
  - (a) Any member being a body corporate may at any time transfer all (but not some only) of the shares held by it to a member of the same group (as hereinafter defined).
  - (b) Where shares have been transferred under sub-paragraph (a) (whether directly or by a series of transfers thereunder) from a body corporate (the **'transferor company'** which expression shall not include a second or subsequent transferor in such a series of transfers) to a member of the same group (the **'transferee company'**) and subsequently the transferee company ceases to be a member of the same group as the transferor company then the transferee company shall forthwith transfer the relevant

shares (as hereinafter defined) to the transferor company; and failure so to transfer such shares within 28 days of the transferee company ceasing to be a member of the same group as the transferor company shall result in a transfer notice being deemed immediately to be given in respect of the relevant shares.

(c) For the purposes of this paragraph:

- (i) the expression 'a member of the same group' means a company which is from time to time a holding company of which the transferor company is a wholly owned subsidiary or a wholly owned subsidiary of the transferor company or of any holding company of which the transferor company is a wholly owned subsidiary; and
- (ii) the expression 'relevant shares' means and includes (so far as the same remain from time to time held by the transferee company) the shares originally transferred to the transferee company and any additional shares issued or transferred to the transferee company by virtue of the holding of the relevant shares or any of them.

- (2) Any member may at any time transfer all or any of his shares to any person holding shares of the same class.
- (3) Any member may at any time transfer all or any of his shares to any person with the prior written consent of all the holders of A Shares and B Shares.
- (4) The Representatives of a member may at any time transfer all or any of the shares to which they are entitled to any person to whom the registered holder would be permitted to transfer the same under these Articles.
- (5) If the Representatives of a member are permitted under these Articles to become registered as the holders of any of such member's shares and elect so to do then such shares may at any time be transferred by those Representatives to any person to whom under this Article the same could have been transferred by such member if he had remained the holder thereof, but no other transfer of such shares by the Representatives shall be permitted under this Article.
- (6) Unless all the members otherwise agree, no transfer of any share permitted by this Article shall be made during the active period of any transfer notice or deemed transfer notice in respect of such share (and for this purpose 'active period' in respect of a given notice means the period from the time of its service until the time when no member has any further rights or obligations, directly or indirectly, pursuant to that notice).

## **10 Pre-emption rights**

- (1)
    - (a) Except for a transfer of shares which is permitted under these Articles as mentioned in Article 8(1), no share shall be transferred until the following conditions of this Article are complied with.
    - (b) Any member proposing to transfer a share (the '**proposing transferor**') shall give notice in writing ('**transfer notice**') to the directors that the proposing transferor desires to transfer all of the shares then held by him. In the transfer notice the proposing transferor shall specify:
      - (i) the number and class of shares which the proposing transferor wishes to transfer (the '**Transfer Shares**');
      - (ii) the price at which the proposing transferor wishes to sell the Transfer Shares and the identity of any person who has indicated a willingness to purchase the Transfer Shares at such price;
    - (c) A transfer notice shall be deemed to contain a condition ('**Total Transfer Condition**') that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article none shall be so sold. Any two or more members holding shares of the same class shall be entitled to serve a joint transfer notice (meaning a notice signed by each of them specifying the shares of the same class which they wish together to transfer) containing a Total Transfer Condition and such notice shall for all the purposes of this Article take effect as if it were a single transfer notice and the Total Transfer Condition related to all the shares the subject of the joint transfer notice but the obligations of these members thereunder or in respect thereof shall be several only in proportion to the number of Transfer Shares which they hold respectively.
    - (d) The transfer notice shall constitute the Company (by its board of directors) as the agent of the proposing transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the transfer notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this Article. Once given a transfer notice may not be revoked save with the prior written consent of all the other members.
  - (2) Within seven days after the receipt of a transfer notice the directors shall serve a copy of that transfer notice on all the members other than the proposing transferor. In the case of a deemed transfer notice the directors shall similarly serve notice on all the members (including the proposing transferor) notifying them that the same has been deemed to have been given, within 28 days after (i) the date of the event giving rise to the deemed transfer notice or (ii) (if later) the date on which the directors (as a whole) actually became aware of such event.



- (3) Subject as provided otherwise in these Articles or in any Relevant Agreement the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price (the '**Transfer Price**') determined in accordance with paragraph (4).
- (4) (a) If the transfer notice is not a deemed transfer notice then the Transfer Price shall be the price specified by the proposing transferor in the transfer notice; or
- (b) If the transfer notice is a deemed transfer notice the Transfer Price shall be such price as shall be agreed in writing between all the members or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 21 days after the service of notices pursuant to paragraph (2) the Transfer Price will be determined by an independent Chartered Accountant of not less than five years' standing (the '**Expert**') who shall be nominated by agreement between all the members or failing such nomination within 14 days after the request of any member to the others therefor nominated at the request of any member by the President from time to time of the Institute of Chartered Accountants in England and Wales. The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding on the members.

The Expert will certify the open market value of the Transfer Shares as at the date of the transfer notice on the following assumptions and bases:

- (i) valuing the Transfer Shares as on an arm's length sale between a willing vendor and a willing purchaser;
- (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (iii) that the Transfer Shares are capable of being transferred without restriction; and
- (iv) valuing the Transfer Shares as a rateable proportion of the total value of all the issued shares of the Company which value shall not be discounted or enhanced by reference to the class of the Transfer Shares or the number thereof.

If any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit.

The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested to do so.

- (5) If the determination of the Transfer Price is referred to the Expert the date of determination of the Transfer Price (the '**Determination Date**') shall be the date on which the directors receive the Expert's determination of the Transfer Price in writing. If the Transfer Price is determined by written agreement between all the members as aforesaid then the Determination Date shall be the date on which such agreement is made. If the Transfer Price is determined pursuant to paragraph (4)(a) then the Determination Date shall be the date on which the directors receive the transfer notice.
- (6) The costs and expenses of the Expert in determining the Transfer Price and of his appointment shall be borne as to one half by the proposing transferor and as to the other half by the purchasers (as hereinafter defined) pro rata according to the number of Transfer Shares purchased by them unless none of the Transfer Shares are purchased by the members or any person or persons nominated pursuant to paragraph (10)(a) pursuant to this Article by reason of the operation of paragraph (10) in which event the proposing transferor shall pay all of such costs and expenses. In the case of default by a person in paying his due proportion of such costs and expenses any of the other contributors or (if the proposing transferor is solely responsible for such costs and expenses) the Company may pay such sum in his stead and any payment made in so doing shall be recoverable from the defaulter as a debt payable on demand.
- (7) Within 7 days after the Determination Date the Transfer Shares shall be offered for purchase at the Transfer Price by the directors to the members who at the date of the offer are registered as the respective holders of shares of the same class as the Transfer Shares (other than (a) the proposing transferor and (b) any member to whom under Article 11 shares may not be transferred) in proportion to the number of shares of that class then held by them respectively. Every such offer shall be made in writing and shall specify (a) the total number of Transfer Shares; (b) the number of Transfer Shares offered to the member ('**Pro-Rata Entitlement**'); (c) that the transfer notice is deemed to contain a Total Transfer Condition and (d) a period (being not less than 14 days and not more than 21 days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the member in applying for his Pro-Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase. Upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner:
- (a) to each member who has agreed to purchase shares, his Pro-Rata Entitlement or such lesser number of Transfer Shares for which he may have applied;
  - (b) if any member has applied for less than his Pro-Rata Entitlement, the excess shall be allocated to the members who have applied for any part of such excess in proportion to the number of shares of the class then held by them respectively (but without allocating to any member a greater number

of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this paragraph (b) without taking account of any member whose application has already been satisfied in full.

- (8) If all the Transfer Shares are not accepted by a member or members holding shares of the same class as the Transfer Shares within the time limited for acceptance or if there are no other holders of shares of that class the directors shall (in the former case) within 7 days after the expiration of such time as aforesaid (and in the latter case) immediately offer all the Transfer Shares to the members holding shares of the other class (other than any member to whom under Article 11 shares may not be transferred) and the provisions of paragraph (7) shall apply mutatis mutandis to such offer (save that in the case of competition the Transfer Shares shall be sold to the acceptors in proportion to the aggregate nominal value of the shares then held by each of them respectively).
- (9) If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit.
- (10) (a) If by the foregoing procedure the directors shall not receive acceptances from members in respect of all of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to all the members whereupon the holders of at least three-quarters in nominal value of the issued shares of the Company (excluding the shares held by the proposing transferor) shall be entitled within 14 days of the date of service of that notice to nominate (by giving notice in writing to the directors signed by each such holder or on his behalf and which may consist of several notices in the like form) any person or persons (whether or not a member) who has expressed his willingness in writing to purchase all or any of those Transfer Shares in respect of which acceptances have not been received at the Transfer Price as the purchaser(s) of all or some such Transfer Shares (and the directors shall be deemed to have made offers of such shares accordingly); PROVIDED THAT if any such nominated purchaser shall fail to complete any such purchase in accordance with this Article or to perform or discharge any of his other obligations hereunder the members (other than those who did not sign the aforesaid notice(s)) shall be jointly and severally liable to complete such purchase in place of that nominated purchaser and to perform and discharge all such other obligations).
- (b) No offer of Transfer Shares made by the directors pursuant to this Article shall be capable of acceptance until all of the Transfer Shares shall have been accepted. If by the foregoing procedure the directors shall not

receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor and none of the Transfer Shares will be sold to the members (or any person or persons nominated pursuant to sub-paragraph (a)) pursuant to this Article. Subject as provided below, the proposing transferor may within a period of 6 months after the date of the directors' said notice sell all (but not some only) of the Transfer Shares to any person at any price which is not less than the Transfer Price (after deducting, where appropriate, any net dividend or other distribution to be retained by the proposing transferor); provided that any such sale shall be subject to the proposing transferor having first procured such person to offer to purchase all of the shares of the other members at the same time and on the same terms and conditions (including without limitation the period during which such offer shall remain open for acceptance which shall be at least 30 days) as such person has offered to purchase the Transfer Shares from the proposing transferor.

- (11) If, by the foregoing procedure, the directors shall receive acceptances (or nominations) in respect of all of the Transfer Shares the directors shall forthwith give notice in writing as hereinafter mentioned to the proposing transferor and to the member or members who have agreed to purchase the same (or to the person or persons nominated pursuant to paragraph 10(a) ('purchaser' or 'purchasers') and the proposing transferor shall thereupon become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the purchaser, the Company and the directors therefor, none of whom shall be bound to see to the application thereof) to transfer to each purchaser those Transfer Shares accepted by him. Every such notice shall state the name and address of each purchaser the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the directors for the completion of the purchase (being not less than 7 day nor more than 28 days after the date of the said notice and not being at a place outside England). Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the directors.
- (12) If a proposing transferor, having become bound to transfer any Transfer Shares pursuant to this Article, makes default in transferring the same the directors may authorise some person (who is (as security for the performance of the proposing transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the proposing transferor for the purpose) to execute the necessary instrument of transfer of such Transfer shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the proposing transferor. The Company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the proposing transferor until he shall have delivered his share certificates (or an appropriate indemnity in

respect of any lost certificates) to the Company. The receipt of the Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

- (13) Without prejudice to the generality of Article 8(4), the directors may require to be satisfied that any shares being transferred by the proposing transferor pursuant to paragraph (10)(b) are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer.

- (14) (a) In this paragraph a 'Relevant Event' means:

- (i) in relation to a member being an individual;
  - (aa) such member being adjudicated bankrupt; or
  - (bb) such member dying; or
  - (cc) the happening of any such event as is referred to in paragraph (c) of regulation 81; or
  - (dd) such member ceasing to be connected with the Company (otherwise than by reason of death); and for these purposes an individual shall be treated as connected with the Company if but only if and so long as he is a director or employee of the Company or of any subsidiary of the Company.
- (ii) a member making any voluntary arrangement or composition with his creditors;
- (iii) in relation to a member being a body corporate:
  - (aa) a receiver, manager, administrative receiver or administrator being appointed of such member or over all or any part of its undertaking or assets; or
  - (bb) such member entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
- (iv) an event as referred to in Article 8(3)(b) occurring.

- (b) Upon the happening of any Relevant Event the member in question shall be deemed to have immediately given a transfer notice in respect of all the shares as shall then be registered in the name of such member.
  - (c) If the Relevant Event shall be the death or bankruptcy of a member and if any of the shares which are offered pursuant to the deemed transfer notice shall not be sold to the members or any person or persons nominated pursuant to paragraph (10)(a) (**“the unsold shares”**) then after the expiration of the period during which the unsold shares might have been purchased by a member or members or person or persons nominated as aforesaid pursuant thereto the Representatives of the member in question shall be entitled to elect at any time before the shares are disposed of by them to be registered themselves as to holders of the unsold shares (but so that such election shall not give rise to any obligation to serve a transfer notice in respect of the unsold shares).
- (15) An obligation to transfer a share under the provisions of this Article shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.
  - (16) The provisions of this Article may be waived in whole or in part in any particular case with the prior written consent of all the members.
  - (17) If, under any of the provisions of this Article, any members become jointly and severally liable to complete the purchase of any Transfer Shares in place of any nominated purchaser then as between such members each of them shall purchase such number thereof as shall bear to the total number of Transfer Shares in question the same proportion as the number of shares held by such member at the date of the relevant nomination bore to the total number of shares then held by all such members.

## **11 Prohibited transfers**

Notwithstanding anything else contained in these Articles no share shall be issued or transferred to any infant, bankrupt or person of unsound mind.

## **12 Proceedings at general meetings**

- (1) Two members present in person or by proxy shall be a quorum of which one shall be or represent a holder of any of the A Shares and the other shall be or represent a holder of any of the B Shares. Regulation 40 shall be modified accordingly.
- (2) Regulation 41 shall be read as if the words “and if at the adjourned meeting a quorum is not present within half an hour from the time appointed therefor, or if during the meeting a quorum ceases to be present, such adjourned meeting shall be dissolved” were added to the end thereof.

- (3) In regulation 44 the words “of the class of shares the holders of which appointed him as director” shall be substituted for the words “any class of shares in the company”.
- (4) An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.
- (5) The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting.
- (6) The chairman of a general meeting shall not be entitled to a second or casting vote. Regulation 50 shall not apply.

### **13 Written Resolutions**

Any written resolution of the members may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

### **14 Votes of members**

- (1) Subject as provided in article 14(3) and below in this paragraph and to any other special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder; provided that in respect of the A Shares and the B Shares only:
  - (a) no shares of either class shall confer any right to vote upon a resolution for the removal from office of a director appointed by holders of shares of the other class; and
  - (b) if at any meeting any holder of shares is not present in person or by proxy the votes exercisable on a poll in respect of the shares of the same class held by members present in person or by proxy shall be pro tanto increased (fractions of a vote by any member being permitted) so that such shares shall together entitle such members to the same aggregate number of votes as could be cast in respect of all the shares of that class if all the holders thereof were present in person.
- (2) Regulation 54 shall not apply.

## **15     Alternate directors**

- (1) Any director (other than an alternate director) may at any time appoint any person (including another director) to be an alternate director and may at any time terminate such appointment. Any such appointment or termination of appointment shall be effected in like manner as provided in Article 17(4). The same person may be appointed as the alternate director of more than one director.
- (2) The appointment of an alternate director shall determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor ceases to be a director otherwise than by retiring and being re-appointed at the same meeting.
- (3) An alternate director shall be entitled to receive notices of meetings of the directors and of any committee of the directors of which his appointor is a member and shall be entitled to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of the Articles shall apply as if he were a director of the relevant class. It shall not be necessary to give notices of meetings to an alternate director who is absent from the United Kingdom. If an alternate director shall be himself a director or shall attend any such meeting as an alternate for more than one director his voting rights shall be cumulative, but he shall count as only one for the purpose of determining whether a quorum is present. If his appointor is from time to time absent from the United Kingdom or temporarily unable to act through ill health or disability his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor. An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.
- (4) An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions 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 an 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.
- (5) Regulations 65 to 69 shall not apply.

## **16     Appointment and retirement of directors**

- (1) The holder(s) of a majority of the A Shares shall be entitled by notice in writing to the Company to appoint two directors and by like notice to remove such directors and at any time and from time to time by like notice to appoint any other person



to be a director in the place of a director so removed. Any director so appointed shall be an A Director.

- (2) The holders of a majority of the B Shares shall be entitled by notice in writing to the Company to appoint two directors and by like notice to remove any of such directors and at any time and from time to time by like notice to appoint any other person to be a director in place of a director so removed. Any director so appointed shall be a B Director.
- [(3) A majority of the Directors (provided that the majority includes both an A Director and a B Director) shall be entitled together by notice in writing to the Company to appoint Additional Directors and any such Additional Directors may be removed by notice in writing to that effect being given to the Company by a majority of the directors (including both an A Director and a B Director). Any director so appointed shall be an Additional Director.]
- (4) A notice of appointment or removal of a director pursuant to this Article shall take effect upon lodgment at the office or on delivery to a meeting of the directors or on delivery to the secretary.
- (5) Every director appointed pursuant to this Article shall hold office until he is either removed in manner provided by this Article or dies or vacates office pursuant to regulation 81 (as modified by Article 20) and neither the company in general meeting nor the directors shall have power to fill any such vacancy.
- (6) Any director appointed pursuant to this Article shall be at liberty from time to time to make such disclosure to his appointor(s) as to the business and affairs of the Company and its subsidiaries as he shall in his absolute discretion determine.
- 17 The directors shall not be subject to retirement by rotation and accordingly regulations 73 to 75 shall not apply and all other references in the regulations to retirement by rotation shall be disregarded.
- 18 No director shall be appointed otherwise than as provided in these Articles. Regulations 76 to 80 shall not apply.

**19 Disqualification and removal of directors**

Regulation 81 shall be modified by deleting paragraph (e) thereof. The office of a director shall also be vacated if he shall be removed from office as hereinbefore provided.

**20 Remuneration of directors**

The ordinary remuneration of the directors shall from time to time be determined by an ordinary resolution of the Company, and shall (unless such resolution

otherwise provides) be divisible among the directors as they may agree, or, failing agreement, equally except that any director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Regulation 82 shall not apply.

**21     Pensions**

The directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any employees or ex-employees and to officers and ex-officers (including directors and ex-directors) of the Company or its predecessors in business or of any holding company or subsidiary of the Company or to the relations or dependants of any such persons and may establish, support and maintain pensions, superannuation or other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and/or their relations or dependants or any of them. Any director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit and may vote as a director in respect of the exercise of any of the powers by this Article conferred upon the directors notwithstanding that he is or may become interested therein. Regulation 87 shall not apply.

**22     Proceedings of directors**

Except during periods when there are, for whatever reason, no A Directors or no B Directors:

- (i)     The quorum for the transaction of the business of the directors shall be two of whom at least one shall be an A Director and at least one a B Director; and
- (ii)    Any committee of the directors shall include at least one A Director and one B Director and the quorum for the transaction of the business of any such committee shall be two of whom one shall be an A Director and one a B Director.

In the event that at any duly convened meeting of the directors or of any committee of the directors the meeting is not so quorate, or if during the meeting such a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day, and at such other time and place as an A Director and a B Director may agree in writing) and at such adjourned meeting the quorum shall be any two directors one of whom shall be an A Director and one a B Director.

- 23**     Any director or his alternate may validly participate in a meeting of the directors or a committee of directors 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 the 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. Subject to the Act, all business transacted in such manner by the directors or a committee of the directors shall for the purposes of the articles be deemed to be validly and effectively transacted at a meeting of the directors or of a committee of the directors notwithstanding that fewer than two directors or alternate directors are physically present at the same place. 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 then is.

- 24** All business arising at any meeting of the directors or of any committee of the directors shall be determined only by resolution passed by a majority of votes. If at any meeting of the directors or of any committee of the directors any director is not present in person or represented by his alternate, the votes at such meeting of the other director(s) nominated by the same Shareholder as the absent director who are present in person or represented by their alternate(s) at such meeting shall be pro tanto increased so that such directors who are so present or represented shall together be entitled to the same aggregate number of votes as could be cast if all the directors nominated by such Shareholder were present in person. In the case of an equality of votes, the chairman shall not have a second or casting vote.
- 25** The directors shall be entitled to appoint one of their respective number to be the chairman of the board of directors and may at any time remove that person from office and appoint another person in his place. Every such appointment or removal shall be effected by notice in writing in like manner as provided in Article 16(4). If no chairman is appointed, or, if at any meeting of the directors he is unwilling to preside or is not present within five minutes after the time appointed for the meeting, those directors who are entitled to appoint the chairman, and who are present at the meeting, may appoint one of their number to be the chairman of the meeting, failing which the directors present may appoint one of their number to be the chairman. Regulation 91 shall not apply.
- 26**
- (1) Unless otherwise agreed in writing by an A Director and a B Director in any particular case, at least 21 clear days' notice in writing shall be given to each director of every meeting of the directors except any absent from the United Kingdom from time to time who have (a) (in the case of a director) nominated an alternate or (b) failed to furnish the Company with an address abroad to which such notices may be forwarded. The third sentence of regulation 88 shall not apply to the Company.
- (2) Regulation 111 shall be read as if the words "except that a notice calling a meeting of the directors need not be in writing" were deleted therefrom.

- (3) Each such notice shall (a) be sent to the address notified from time to time by each director to the secretary (or, if there is none at that time, the chairman) as his address for the service of such notices (or if no address has been so supplied, to his last known address); (b) contain an agenda specifying in reasonable detail the matters to be discussed at the relevant meeting; (c) be accompanied by any relevant papers for discussion at such meeting and (d) if sent to an address outside the United Kingdom, be sent by courier, telex, facsimile or email transmission, if confirmation of receipt is received.
- (4) Save as provided in paragraph (3), any such notice may be delivered personally or by first class prepaid letter and shall be deemed to have been served if by delivery when delivered and if by first class letter 72 hours after posting.
- (5) Except as may be, agreed by an A Director and a B Director in any particular case, no business or resolution shall be transacted or passed at any meeting of the directors except as was fairly disclosed in the agenda for such meeting.
- 27 Appropriate complete minutes of each meeting of the directors shall be maintained by the Company and copies thereof distributed to the directors as soon as reasonably practicable after the meeting shall have been held.
- 28 A director who is in any way whether directly or indirectly interested in a transaction or arrangement or proposed transaction or arrangement with the Company may vote in respect of any such transaction or arrangement or proposed transaction or arrangement or any matter arising thereout and if he does so vote his vote shall be counted and he shall be capable of constituting a quorum at any meeting of the directors at which any such transaction or arrangement or proposed transaction or arrangement shall come before the board of directors for consideration and may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof. Regulations 94 to 97 shall not apply.

**29 Borrowing powers**

The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

**30 Accounts and information**

Every member shall be entitled, either himself or through his agents duly authorised in writing, during the Company's normal hours of business to inspect and take copies of the books of account and all other records and documents of the Company and each of its subsidiaries on giving not less than 72 hours written

notice to the secretary (or, if there is one at that time, the chairman). The Company shall give each such member all such facilities as he may reasonably require for such purposes including the use of copying facilities. The Company may make a reasonable charge for any copies taken but otherwise shall not charge for any facilities requested as aforesaid. Regulation 109 shall not apply.

### **31     Notices**

A notice sent by post shall be deemed to be given at the time when the same was posted. The second sentence of regulation 115 shall not apply.

### **32     Indemnity and insurance**

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

### **33     Overriding provisions**

- (1) Notwithstanding the provisions of these Articles the directors shall be obliged, so far as may be permitted by law, to act in all respects in accordance with and give effect to any Relevant Agreement.
- (2) Where the approval, agreement or consent of any member or director is required under any provision of these Articles to any particular matter, such approval, agreement or consent may be given subject to such terms and conditions as that member or director may require and any breach of such terms and conditions shall ipso facto be deemed to be a breach of these Articles.

### **34     Representatives**

These Articles shall be binding upon and (except as otherwise provided herein) shall enure for the benefit of each member's Representatives.

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