

Company number 05883908

SATURDAY



CDC WEALTH MANAGEMENT LIMITED

(Company)

Minutes of a meeting of the board of directors of the Company held at BIC, Enterprise Park East, Wearfield, Sunderland, Tyne & Wear, SR5 2TA

at 9 am/pm on 13 December 2012

Present

Mr J G Dixon (Director)
Mr P D G Cain (Director and Company Secretary)
Mr AJ Gaines (Director)

1 Chairman

It was resolved that Mr P D G Cain be appointed Chairman of the meeting

2 Notice and Quorum

The Chairman reported to the meeting that due notice of the meeting had been given to each director and that a quorum was present. Accordingly the Chairman declared the meeting duly convened and constituted.

3 Business of the meeting

3.1 The Chairman reported that the purpose of the meeting was to consider the terms of and if thought fit approve and authorise

3.1.1 The Ordinary share capital of the Company be re-designated as 220 'A' Ordinary shares, 220 'B' Ordinary shares, 99 'C' Ordinary shares, 215 'D' Ordinary shares, 215 'E' Ordinary shares and 30 'G' Ordinary shares. The new class to rank pari passu with the existing issued and remaining authorised Ordinary share capital in all respects.

4. Declaration of Interest

4.1 Pursuant to section 177 of the Companies Act 2006 and the Company's articles of association the directors declared their interest in the business to be transacted at the meeting.

4.2 The Chairman reported that he and his fellow directors of the Company were, under the Articles of Association, entitled to vote at any meeting of the Board on any resolution, notwithstanding that it in anyway concerns or relates to a matter in which they had, directly or indirectly, any kind of interest whatsoever and in relation to any such resolution were entitled to be taken into account in calculating the quorum present at the meeting.

5 Re-designation of shares

- 5 1 The Chairman reported that it was proposed that the 1,000 Ordinary shares of £1 each in the capital of the Company be re-designated as 220 'A' Ordinary shares, 220 'B' Ordinary shares, 99 'C' Ordinary shares, 215 'D' Ordinary shares, 215 'E' Ordinary shares, 1 'F' Ordinary share and 30 'G' Ordinary shares each having attached thereto the rights and restrictions set forth in the new Articles of Association which it was proposed to adopt. A copy of the proposed new Articles of Association was produced to the meeting. The rights attaching to the re-designated shares were carefully considered.
- 5 2 It was resolved that the shares be re-designated as set out in minute 5 1 and that the new Articles of Association be adopted.
- 5 3 It was noted that the re-designation of shares and adoption of the new Articles would require the consent of the Company's shareholders. It was proposed that this was obtained by a written resolution. The Chairman produced a form of written resolution to be signed by the shareholders which the meeting considered (the 'Written Resolution').
- 5 4 **It was resolved that:**
- 5 4 1 the form and terms of the Written Resolution be and are hereby approved,
 - 5 4 2 that the company recommend to its shareholders that they should sign the Written Resolution,
 - 5 4 3 the Written Resolution be sent to the shareholders for signature and returned to the Company, and
 - 5 4 4 the Chairman be authorised and instructed to dispatch the Written Resolution to the shareholders for their signature.
- 5 5 The Chairman then adjourned the meeting to enable him to carry out his instructions referred to in minute 5 4 4 above.
- 5 6 Upon resumption of the meeting, the Chairman noted that all the shareholders of the Company had signed the Written Resolution and declared the written resolution to have been passed on today's date.
- 5 7 The directors resolved that
- 5 7 1 the share certificates recording the Ordinary shares be cancelled, and
 - 5 7 2 new share certificates be issued by the Company recording the 'A', 'B', 'C', 'D', 'E', 'F' and 'G' Ordinary shares in due course.

6. Filing

The Chairman was instructed to make all the necessary and appropriate entries in the Company's books and to arrange for the following forms and documents to be filed with Companies House:

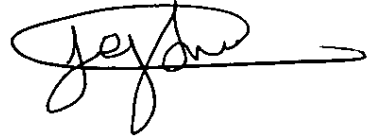
- 6 1 Form SH10,
- 6 2 a copy of the Special Resolution and new articles of association of the Company.

7 Closure

There being no further business the Chairman declared the meeting closed


Chairman

Company Number: 05883908

A handwritten signature in black ink, appearing to read 'Jeyson', with a long horizontal stroke extending to the right.

The Companies Acts 1985 and 2006

Private Company Limited by Shares

Articles of Association

of

CDC Wealth Management Limited

(Adopted by written special resolution passed on 21st December 2012)



COMPANIES HOUSE

The Companies Acts 1985 and 2006

Private Company Limited by Shares

Articles of Association of CDC Wealth Management Limited

1. Preliminary

1 1 The regulations constituting 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 2007 (SI 2007/2451) and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007/2826), and as otherwise amended prior to the adoption of these articles of association (**Articles**) as they relate to a private company limited by shares (**Table A**) shall apply to Audas Project Management Limited (**the Company**) except in so far as they are excluded or varied by these Articles

1 2 Regulations 2, 3, 8, 24, 35, 41, 46, 54, 64, 66, 76-79, 84, 94 and 118 of Table A do not apply to the Company

1 3 In these Articles, the following words have the following meanings

The Companies Acts: the provisions of the Companies Act 1985 and the Companies Act 2006 as amended and in force prior to adoption of these Articles,

Auditors: the auditors of the Company at the relevant time or in the absence of auditors being appointed, the Company's accountants at the relevant time,

Group Company: in relation to the Company, any Subsidiary of the Company, any company of which the Company is a Subsidiary (its holding company) and any other Subsidiaries of any such holding company, and

Subsidiary: in relation to a company wherever incorporated (a holding company) means "subsidiary" as defined in section 1159 of the Companies Act 2006 and any other company which is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company

1 4 References in these Articles and in Table A to writing shall be construed as including references to any method of representing or reproducing words in a legible and non-transitory form

1 5 References in these Articles to paragraphs and sub-paragraphs are to the paragraphs and sub-paragraphs of the Article and paragraph in which they appear

1 6 Headings in these Articles are for convenience only and shall not affect the interpretation hereof

2. Share Capital

2 1 The share capital of the Company is £1,000 divided into 220 A Ordinary shares of £1 00 each, 220 B Ordinary shares of £1 00 each, 99 C Ordinary shares of £1 00, 215 D Ordinary shares of £1 00, 215 E Ordinary shares of £1 00, 1 F ordinary share of £1 00 each and 30 G Ordinary shares of £1 00 The share capital of the Company may only be increased by a special resolution of the Company

2 2 Except as otherwise provided in these Articles, the A Ordinary shares, B Ordinary shares, C Ordinary shares, D Ordinary shares, E Ordinary shares, F Ordinary shares and G Ordinary shares shall rank pari passu in all respects save that no voting rights shall attach to the D Ordinary shares, E Ordinary shares or F Ordinary shares. The A Ordinary shares, B Ordinary shares, C Ordinary shares, D Ordinary shares, E Ordinary shares, F Ordinary shares and G Ordinary shares shall each constitute separate classes of shares.

2 3 On the transfer of any share as permitted by these Articles

- (a) a share transferred to a non-member shall remain of the same class as before the transfer, and
- (b) a share transferred to a member shall automatically be redesignated on transfer as a share of the same class as those shares already held by the member.

If no shares of a class remain in issue following a redesignation under this paragraph, these Articles shall be read as if they do not include any reference to that class or to any rights attaching to that class.

2 4 No variation of the rights attaching to any class of shares shall be effective without the consent or sanction required by the Acts to such variation.

2 5 Subject to the Companies Acts and without prejudice to the rights attached to any existing shares, any share may be issued with or have attached to it such rights or restrictions as the Company may by special resolution determine.

2 6 In accordance with and subject to the Companies Acts the Company may

- (a) subject to any rights conferred on the holders of any other shares issue shares that are to be redeemed or are liable to be redeemed at the option of the Company or holder,
- (b) subject to any rights conferred on the holders of any class of shares purchase its own shares (including any redeemable shares), and
- (c) make a payment in respect of the redemption or purchase of any of its own shares as authorised by these Articles otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

3. Lien

The Company shall have a first and paramount lien on all shares whether fully paid or not registered (whether as a sole registered holder or as one of two or more joint holders) in the name of any person indebted or under liability to the Company for all moneys presently payable by him or his estate to the Company. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation.

4. Transfer of Shares

The directors shall subject to stamping forthwith register any transfer of shares or purchase of own shares by the Company itself made in accordance with Articles 6 to 9 but shall not have any discretion to register any transfer of shares which has not been made in compliance with those Articles.

5. Restrictions on Transfer

Any person who holds, or becomes entitled to, any share shall not effect a transfer of such shares except in accordance with Article 6 (Pre-emption), Article 7 (Leavers), Article 8 (Drag Along) or Article 9 (Tag Along)

6. Pre-emption

6 1 Except in the case of a transfer pursuant to Article 7 (Leavers), Article 8 (Drag Along) or Article 9 (Tag Along) or with the prior written agreement of each person holding A Ordinary shares, any person who wishes to transfer any Shares (**Seller**) shall give notice in writing of such wish to the Company (**Transfer Notice**) Each Transfer Notice shall

- (a) relate to one class of Shares only,
- (b) specify the number of class of Shares which the Seller wishes to transfer (**Sale Shares**),
- (c) specify the identity of any person to whom the Seller wishes to transfer the Sale Shares (**Proposed Transferee**)
- (d) specify the price per Share (**Sale Price**) at which the Seller wishes to transfer the Sale Shares,
- (e) be deemed to constitute the Company as the Seller's agent for the sale of the Sale Shares at the Sale Price in the manner prescribed by these Articles, and
- (f) not be varied or cancelled

6 2 The Seller may provide in the Transfer Notice that unless buyers are found for all or not less than a specified number of the Sale Shares, he shall not be bound to transfer any of such Shares (**Minimum Transfer Condition**) and any such provision shall be binding on the Company Notwithstanding the other provisions of this Article 6, if the Transfer Notice contains a Minimum Transfer Condition the Company may not make any allocation of the Sale Shares unless and until it has found buyers for the minimum number specified in the Minimum Transfer Condition

6 3 The directors may, within 21 days of receipt of the Transfer Notice, notify the Seller in writing that some or all of the Sale Shares are to be allocated for purchase by the Company at the Sale Price If all of the Sale Shares are so allocated, the provisions of Articles 6 4 to 6 7 (inclusive) shall not apply If none or some only of the Sale Shares are so allocated, the remaining provisions of this Article 6 shall have effect as if references to Sale Shares shall mean those not allocated in accordance with this Article 6 3

6 4 The Company shall within 28 days following receipt of the Transfer Notice give notice in writing to each of the shareholders (other than the Seller) (**Shareholders**) offering for sale the Sale Shares at the Sale Price The notice shall specify that the Shareholders shall have a period of 28 days from the date of such notice within which to apply for some or all of the Sale Shares It shall be a term of the offer that, if Shareholders of more than one class apply for some or all of the Sale Shares, the Sale Shares shall be treated as having been offered, first, to all persons (other than the Seller) holding A Ordinary shares in priority to all other classes of Shareholder and thereafter, to the extent that all of the Sale Shares have not been applied for by such class of Shareholder, the Sale Shares shall be treated as having been offered to all other classes of Shareholder

- 6 5 It shall be a further term of the offer that, if there is competition within any class of Shareholder for the Sale Shares treated as having been offered to that class, such Sale Shares shall be treated as offered among such class of Shareholder in proportion (as nearly as may be) to their existing holdings of Shares of the class to which the offer is treated as having been made (**Proportionate Allocation**) However, in his application for Sale Shares a Shareholder may, if he so desires, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Proportionate Allocation (**Extra Shares**)
- 6 6 In respect of each of the categories of offeree referred to in Article 6 4, the Company shall allocate the Sale Shares as follows
- (a) if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares, each Shareholder shall be allocated the number applied for in accordance with his application, or
 - (b) if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each Shareholder shall be allocated his Proportionate Allocation or such lesser number of Sale Shares for which he has applied and applications for Extra Shares shall be allocated in accordance with such applications, or, in the event of competition, among those Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the shares of the same class held by such Shareholders
- 6 7 Allocations of Sale Shares made by the Company pursuant to this Article 6 shall constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them, provided that no person shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the company he is willing to purchase
- 6 8 The Company shall forthwith upon allocating any Sale Shares give notice in writing (**Sale Notice**) to the Seller and to each person to whom Sale Shares have been so allocated of the number of the Sale Shares so allocated and the aggregate price payable therefor Completion of the sale and purchase of those Sale Shares in accordance with the Sale Notice shall take place within 7 days of the date of the Sale Notice whereupon the Seller shall, upon payment of the price due in respect thereof, transfer those Sale Shares specified in the Sale Notice to the persons to whom they have been allocated and deliver the relevant share certificates In the case where any Sale Shares have been allocated for purchase by the Company pursuant to Article 6 3, completion of the sale and purchase of those Sale Shares shall take place within 14 days of the purchase contract being approved by the Company in accordance with the Acts whereupon the Seller shall, upon payment of the price due in respect of those Sale Shares, deliver the relevant share certificates to the Company for cancellation
- 6 9 Save in the case of an acquisition of Sale Shares by the Company, if the Seller defaults in transferring any Sale Shares pursuant to Article 6 8, the Company may receive such purchase money and may nominate some person to execute an instrument of transfer of such Sale Shares in the name and on behalf of the Seller and thereafter, when such instrument has been duly stamped, the Company shall cause the name of the proposed transferee to be entered in the register of members as the holder of such Sale Shares and shall hold the purchase money on trust (without interest) for the Seller The receipt of the Company for the purchase money shall be a good discharge to the proposed transferee (who shall not be bound to see to the application thereof) and, after his name has been so entered in the register of members, the validity of the proceedings shall not be questioned by any person In the case of an acquisition of Sale Shares by the Company, if the Seller

defaults in delivering the share certificates therefor pursuant to Article 6 8, the Company may nominate some person to execute an instrument of transfer of such Sale Shares in the name and on behalf of the Seller and thereafter, when such instrument has been duly stamped, the Company shall cause such share capital to be cancelled in accordance with the Acts and shall hold the purchase money on trust (without interest) for the Seller

6 10 If all the Sale Shares are not sold under the pre-emption provisions contained in Articles 6 1 to 6 9 (inclusive), the Company shall (forthwith upon the exhaustion of such provisions) so notify the Seller and the Seller may at any time, within three calendar months after receiving such notification, transfer to the Proposed Transferee any unsold Sale Shares at any price not less than the Sale Price, provided that

- (a) the directors may refuse registration of any Proposed Transferee if they reasonably believe the Proposed Transferee to be a competitor of the Company or of any Group Company or a person connected with such a competitor (or a nominee either),
- (b) if the Seller stipulated in the Transfer Notice a Minimum Transfer Condition which has not been satisfied, the Seller shall not be entitled to sell any Sale Shares unless he complies with such Minimum Transfer Condition, and
- (c) any such sale shall be a sale in good faith and the directors may require to be satisfied (in such manner as they may reasonably think fit) that the Sale Shares are being sold for not less than the Sale Price without any deduction, rebate or allowance whatsoever and if not so satisfied they may refuse to register the transfer

7. Leavers

7 1 The provisions of this Article 7 shall apply to any Leaver and to any Leaver's shares

7 2 In these Articles a "**Leaver**" shall mean any employee of the Company or a Group Company who holds B Ordinary shares in the Company and who ceases to be such an employee for any reason

7 3 Within the period commencing on the relevant Leaving Date and expiring at midnight on the first anniversary of such date, the directors may serve a notice on the Leaver notifying him that he is, with immediate effect, deemed to have served one or more Transfer Notices in respect of such number and class of his shares as is specified in the notice (**Leaver's Shares**)

7 4 The provisions of Articles 6 1 to 6 9 (inclusive) shall apply to any such Transfer Notice, provided that for these purposes

- (a) the Sale Shares shall comprise the Leaver's Shares,
- (b) no Proposed Transferee shall be specified in the Transfer Notice,
- (c) the Sale Price shall be determined by Article 7 5,
- (d) there shall be no Minimum Transfer Condition, and
- (e) references to receipt of the Transfer Notice in Articles 6 3 and 6 4 shall be replaced by the date of determination of the Fair Price if a Fair Price falls to be determined

7 5 The Sale Price shall be

- (a) in the case of a Good Leaver, the Fair Price,
- (b) in the case of a Bad Leaver the lower of the Issue Price and the Fair price,

provided that, in the case of any Leaver's Shares which were originally acquired by that Leaver by way of transfer rather than allotment, references to the Issue Price in this Article 7 5 shall in relation to these Shares be deemed to be references to the lower of the Issue Price and the amount paid by such Leaver on such transfer

7 6 In these Articles

- (a) a shareholder shall be deemed to be a "**Good Leaver**" in circumstances where the relevant person
 - (i) retires from his employment with a Group Company on or after the date on which he is normally expected to retire in accordance with his contract of employment or earlier with the agreement of the directors, or
 - (ii) is dismissed from such employment (whether or not on notice) otherwise than for good cause and for the purposes of this sub-paragraph the question of whether or not termination of his employment is "for good cause" shall be determined by the directors whose decision shall be binding, or
 - (iii) is made redundant from such employment (according to the definition of "redundancy" in the Employment Rights Act 1996), or
 - (iv) dies, or
 - (v) suffers a physical or mental deterioration which, in the opinion of the directors, is sufficiently serious to prevent the relevant person from following his normal employment or which seriously prejudices his earnings capacity, or
 - (vi) resigns from such employment with the agreement of the directors,
- (b) a Shareholder shall be deemed to be a "**Bad Leaver**" in circumstances where the relevant person is not deemed to be a Good Leaver, and
- (c) the "**Fair Price**" shall be such price as the transferor and the Company shall agree within 28 days of the date of the deemed Transfer Notice or, failing such agreement, such price as the Auditors shall determine pursuant to Article 7 7

7 7 If the Fair Price falls to be determined by the Auditors

- (a) the Company shall immediately instruct the Auditors to determine the Fair Price on the basis which, in their opinion, represents a fair price for the Leaver's Shares at the Leaving Date as between a willing seller and a willing buyer and, in making such determination, the Auditors shall take account of whether the Leaver's Shares comprise a majority or minority interest in the Company and the fact that their transferability is restricted by these Articles (but, for the avoidance of doubt, ignoring the fact that such Leaver's Shares can be subject to the compulsory transfer requirements of this Article 7 (Leavers) and Article 8 (Drag Along)),

- (b) the Auditors shall certify the Fair Price as soon as possible after being instructed by the Company and in so certifying the Auditors shall be deemed to be acting as experts and not as arbitrators and the Arbitration Act 1996 shall not apply,
- (c) the certificate of the Auditors shall, in the absence of manifest error, be final and binding, and
- (d) the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall be borne by the Company unless (i) such an arrangement would not be permitted by the Acts or (ii) the Fair Price as determined by the Auditors is the same as, or within 10% of, that price (if any) which the Company had previously notified to the Leaver as being in its opinion the Fair Price, in which event the cost shall be borne by the Leaver

8. Drag Along

- 8 1 In these Articles a Qualifying Officer shall mean an offer in writing at any time by or on behalf of any person (**Offeror**) to the holders of the entire equity share capital in the Company to acquire all their equity share capital. The consideration stated in such offer may take any form as well as cash including without limitation shares and loan stock and other forms of non-cash consideration
- 8 2 If the holders of not less than 75% in nominal value of the equity share capital then in issue (**the Accepting Shareholders**) wish to accept the Qualifying Offer, then the provisions of this Article 8 shall apply
- 8 3 The Accepting Shareholders shall give written notice to the remaining holders of the equity share capital (**Other Shareholders**) of their wish to accept the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders
- 8 4 If any Other Shareholder shall not, within 7 days of being required to do so, execute and deliver transfers in respect of the equity shares held by him and deliver the certificate(s) in respect of them (or a suitable indemnity in lieu thereof), then any Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on the Other Shareholder's behalf and, against receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person
- 8 5 Upon any person, following the issue of a notice pursuant to Article 8 3, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the company (**New Member**), a notice shall be deemed to have been served upon the New Member on the same terms as the previous notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Offeror or as the Offeror may direct and the provisions of this Article 8 shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the notice being deemed served on the New Member

9. Tag Along

- 9 1 If at any time the holders of a majority in nominal value of the equity share capital of the Company in issue (**Proposed Sellers**) propose to sell, in one or a series of related transactions, their shares to any person (not being an Offeror for the purposes of Article 8 1), the Proposed Sellers may only do so if they comply with the provisions of this Article 9
- 9 2 The Proposed Sellers shall give written notice (**Proposed Sale Notice**) to the other holders of the equity share capital in the Company of such intended sale at least 21 days prior to the date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (**Proposed Buyer**), the purchase price and other terms and conditions of payment, the proposed date of sale (**Proposed Sale Date**) and the number of shares proposed to be purchased by the Proposed Buyer (**Proposed Sale Shares**)
- 9 3 Any other holder of equity share capital in the Company shall be entitled, by written notice given to the Proposed Sellers within 14 days of receipt of the Proposed Sale Notice, to be permitted to sell all of his shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice
- 9 4 If any other holder of equity share capital in the Company is not given the rights accorded him by the provisions of this Article 9, the Proposed Sellers shall be required not to complete their sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect

10. Proceedings at General Meetings

- 10 1 If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting is adjourned to such day and at such time and place as the directors may determine and if a quorum is not present within half an hour from the time appointed for the adjourned meeting the meeting is dissolved
- 10 2 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote

11. Votes of Members

Subject to any rights or restrictions attached to any shares and to any other provisions of these Articles, on a show of hands every member present in person or by proxy shall have one vote, unless the proxy is himself a member entitled to vote and on a poll every member present in person or by proxy shall have one vote for every share of which he is the holder

12. Number of Directors

Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum. The minimum number of directors is one

13. Alternate Directors

- 13 1 An alternate director may act as an alternate director to more than one director and is entitled at a meeting of the directors or of a committee of the directors to one vote for every director that he acts as alternate director for in addition to his own vote (if any) as a director of the Company, but an alternate director counts as only one director in determining whether a quorum is present

- 13 2 An alternate director is entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at such meeting, at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his appointer's absence. But it is not necessary to give notice of such a meeting to an alternate director who is absent from the UK
- 13 3 Unless otherwise determined by special resolution of the Company, an alternate director is not entitled to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company direct and the Company may pay all travelling, hotel and other expenses properly incurred by an alternate director in connection with attendance at meetings of directors or of committees of directors or otherwise in connection with the business of the Company

14. Powers of Directors

- 14 1 The directors are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 for a period of five years from the date of adoption of these Articles to allot all or any of the unissued shares of the Company. The maximum aggregate nominal amount of A Ordinary shares and B Ordinary shares that may be allotted is £1,237. This authority may only be varied or revoked by special resolution of the Company
- 14 2 The directors are authorised in accordance with section 91 of the Companies Act 1985 to allot shares of the Company as if section 89(1) of the Companies Act 1985 did not apply to the allotment provided that
- (a) any allotment of B Ordinary shares may only be made to employees of a Group Company pursuant to an Enterprise Management Incentive option agreement and no other person, and
 - (b) any allotment of A Ordinary shares shall require the prior written agreement of each person then holding A Ordinary shares

This power will expire on the date the section 80 of the Companies Act 1985 authority to which it relates is revoked or (if not renewed) expires, except that the directors may after such date allot securities pursuant to any offer or agreement to do so made before such date

15. Appointment and Retirement of Directors

- 15 1 No person shall be appointed a director at any general meeting unless
- (a) he is recommended by the directors, or
 - (b) not less than 14 or more than 35 clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company for the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors together with notice executed by that person of his willingness to be appointed
- 15 2 Not less than 7 nor more than 28 clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the directors for appointment as a director at the meeting

or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment as a director. The notice shall give particulars of that person which would, if he were so appointed, be required to be included in the Company's register of directors

15.3 Subject to the foregoing provisions of this Article 15 the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director

15.4 Subject to the provisions of the Companies Acts, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate (unless the terms of his appointment provide otherwise) if he ceases to be a director but without prejudice to any claim for damages for breach of the contract of service between the director and Company

16. Proceedings of Directors

A person may participate in a meeting of the directors or of a committee of directors by means of electronic communication provided that throughout the meeting all persons participating in the meeting are able to communicate interactively and simultaneously with all other parties participating in the meeting notwithstanding accidental disconnection of the means of electronic communication during the meeting. A person participating in a meeting in this manner shall be deemed present in a person at the meeting and shall be entitled to vote and be counted in the quorum

17. Directors' Conflicts of Interest

17.1 The directors may, in accordance with the requirements set out in this Article 17, authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest (**Conflict**)

17.2 Any authorisation under this Article 17 will be effective only if

- (a) the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,
- (b) any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question, and
- (c) the matter was agreed to without his voting or would have been agreed to if his vote had not been counted

17.3 Any authorisation of a matter under this Article 17 may (whether at the time of giving the authority or subsequently)

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,

- (b) be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine, and
- (c) be terminated or varied by the directors at any time

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation

17 4 In authorising a Conflict the directors may decide (whether at the time of giving the authority or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person the director is under no obligation to

- (a) disclose such information to the directors or to any director or other officer or employee of the company, or
- (b) use or apply any such information in performing his duties as a director,

where to do so would amount to a breach of that confidence

17 5 Where the directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authority or subsequently) that the director

- (a) is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict,
- (b) is not given any documents or other information relating to the Conflict, and
- (c) may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict

17 6 Where the directors authorise a Conflict

- (a) the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict, and
- (b) the director will not infringe any duty he owes to the company by virtue of sections 171 to 177 of the Companies Act 2006 provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation

17 7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

18. Directors' Declaration of Interests

18 1 A director who is in any way, whether directly or indirectly interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his

interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Companies Acts

- 18 2 A director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Companies Acts, unless the interest has already been declared under Article 18 1
- 18 3 Subject, where applicable, to the disclosures required under Articles 18 1 and 18 2, and to any terms and conditions imposed by the directors in accordance with Article 17, a director shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the Company in which he is interested and if he shall do his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present
- 18 4 A director need not declare an interest under Articles 18 1 or 18 2 as the case may be
- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest,
 - (b) of which the director is not aware, although for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware,
 - (c) if, or to the extent, the other directors are already aware of it, and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware, or
 - (d) if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a board meeting

19. Indemnity

- 19 1 Subject to the Companies Acts, but without prejudice to any indemnity to which a director may otherwise be entitled, each director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a director or other officer of the Company or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006) in the actual or purported execution and/or discharge of his duties, or in relation thereto including any liability incurred by him in defending any civil or criminal proceedings, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs
- 19 2 The Company may buy and maintain insurance against any liability falling upon its directors or other officers which arises out of their respective duties to the Company, or in relation to its affairs

20. Dividends

- 20 1 The Company may declare a dividend in respect of either the A Ordinary shares, B Ordinary shares, C Ordinary shares, D Ordinary shares, E Ordinary shares, F Ordinary shares or G ordinary shares at different amounts and at different times in respect of each class of share

Name and address of subscribers

- 1 Philip David George Cain
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- 2 John George Dixon
63-64 Celandine Way
Gateshead
Tyne & Wear
NE10 8QW
- 3 Karen Cain
1 West Park
Hartlepool
TS26 0BP
- 4 Wendy Dixon
63-64 Celandine Way
Gateshead
Tyne & Wear
NE10 8QW
- 5 Alister John Gaines
17 Chesterwell
Swarland
Morpeth
NE65 9NA
- 6 Linda Gaines
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- 7 Andrew John Mann
21 Medici Road
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