

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION
OF**

DR. ORGANIC LIMITED

INTRODUCTION

1. INTERPRETATION

1.1 In these articles, unless the context otherwise requires

A Shares: means "A" Ordinary Shares of £1 each in the capital of the Company,

Acceptance Notice: means a notice accepting an offer made in a Sale Notice;

Accountants: means the firm of accountants appointed as valuers under Article 9,

Act: means the Companies Act 2006,

Articles: means the company's articles of association for the time being in force,

B Shares: means "B" Ordinary Shares of £1 each in the capital of the Company,

business day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

"Buy-back Agreement" has the meaning given to it in Article 8.5,

"Buy-back Shares" has the meaning given to it in Article 8.5,

C Shares: means "C" Ordinary Shares of £1 each in the capital of the Company,

Compulsory Seller: means a person in relation to whom a Compulsory Transfer Event occurs,



Compulsory Transfer Event: means an event described in Article 8.1,

Compulsory Transfer Notice: means (in relation to any Compulsory Seller) a notice given in accordance with the terms of Article 8.2 and offering, on the terms of Article 8, to sell the Compulsory Transfer Shares,

Compulsory Transfer Shares: means all of the Shares registered in the name of a Compulsory Seller;

Conflict: has the meaning given in article 7.1;

Family Trust: means a trust (including a trust arising under a testamentary disposition or on an intestacy) under which

- (i) no beneficial interest in the trust property is vested or permitted to be vested in any person other than the senior or any of his or her Privileged Relations, and
- (ii) no power of control over any trust property is or is capable of being exercised by, or is subject to the consent of, any person other than the settlor, any of his or her Privileged Relations or the trustees of the trust,

Group: means the Company and its subsidiary undertakings and holding companies for the time being, and "member of the Group" and "Group Company" shall be construed accordingly,

Leaver: means an individual who for any reason (including death, disability or the expiry of any notice period) ceases to be, and does not remain, as an employee or a director of, or engaged by, the Company or any subsidiary undertaking of the Company, and for the purposes of these Articles an individual shall (without limitation) be regarded as ceasing to be an employee of a company on termination of any agreement or arrangement under which that individual's services are to be supplied to that company,

Model Articles: means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these articles

Privileged Relation: means in relation to any transfer of Shares, any spouse, civil partner, parent, sibling, child, adopted child or stepchild (including a child of the civil partner) or remoter descendant of the transferor and for the purposes of these Articles, any individual who becomes divorced or whose civil partnership is dissolved shall on the grant of the decree absolute or final dissolution order in respect of that divorce or dissolution (WV) to be a Privileged Relation of his or her former spouse or civil partner,

Sale Notice: means a notice to the Company offering to sell the entire legal and beneficial interest in all or any of the A Shares registered in the name of the member giving that notice to each other holder of A Shares,

Sale Price: means the cash price per Share at which the Sale Shares are offered for sale, being as specified in the relevant Sale Notice,

Sale Shares: means the number of A Shares registered in the Seller's name which the Seller wishes to transfer, being as specified in the relevant Sale Notice,

Seller: means a holder of A Shares who gives a Sale Notice,

Shares: means the shares in the Company or rights to subscribe for, or to convert securities into, shares in the Company,

- 1.2 Save as otherwise specifically provided in these articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these articles
- 1.3 Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles
- 1.4 A reference in these articles to an "article" is a reference to the relevant article of these articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
 - (a) any subordinate legislation from time to time made under it, and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1.6 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1.7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these articles.

- 1.8 Articles 8, 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 30(3), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company
- 1.9 Article 7 (1) of the Model Articles shall be amended by the deletion of the words 'either a majority decision at a meeting or a decision taken in accordance with Article 8' and the insertion of the words 'a majority decision at a meeting' after the word 'be'.
- 1.10 Article 7 (2) of the Model Articles shall be amended by the insertion of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1.11 Article 20 of the Model Articles shall be amended by the insertion of the words "[(including alternate directors)] and the secretary" before the words "properly incur".
- 1.12 Article 27(3) of the Model Articles shall be amended by the insertion of the words "subject to article 10" after the word "But".
- 1.13 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an Instrument of transfer executed under Model Article 28(2)," after the words "the transmittee's name"

2. OBJECTS OF THE COMPANY

- 2.1 The Company's objects are
- (a) to carry on business as a general commercial company; and
 - (b) any other trade or business which may seem to the Company and its directors to be advantageous and to directly or indirectly enhance all or any of the business of the Company
- 2.2 Notwithstanding Article 2.1, the Company's objects are unrestricted

SHARES

3. FURTHER ISSUES OF SHARES: AUTHORITY

- 3.1 The share capital of the Company is divided into A Shares, B Shares and C Shares The rights attaching to the Shares are as follows
- (i) The holders of the B Shares and C Shares shall not be entitled to receive notice of meetings or to attend or vote at General Meetings. In the event of a winding up the assets of the Company (including uncalled Shares at the commencement of the winding up) remaining after paying and discharging the debts and liabilities of the Company and the costs of the winding up shall be applied in repayment of the capital paid up or credited as paid up on the A Shares, B Shares and C Shares and

the residue (if any) shall be divided among the holders of the A Shares, B Shares and C Shares in proportion to the nominal amount paid up or credited as paid up on such Shares

(ii) The profits of the company which are resolved to be divided amongst the Members in any year shall be applied in paying to the holders of the respective classes of Shares dividends at such respective rates (if any) as the Company in General Meeting shall determine and so that a dividend or dividends may be declared on one or several classes of Shares to the exclusion of any class or classes and that dividends at different rates may be declared on the respective classes of Shares. The Directors may pay an interim dividend or dividends on one or several classes of Shares to the exclusion of any class or classes and may pay interim dividends at different rates on the respective classes of Shares

(iii) Each of the following shall be deemed to constitute a variation of the rights attached to each class of Shares:

- (a) any alteration in the memorandum or articles of association of the Company,
or
- (b) any increase or reduction or subdivision or consolidation or other alteration in the issued share capital of the Company or any of the rights attaching to any share capital.

3.2 Subject to the remaining provisions of this article 3 and to article 4, the directors are generally and unconditionally authorised, for the purposes of section 551 (1) of the Act and generally, to exercise any power of the Company to.

- (a) offer or allot,
- (b) grant rights to subscribe for or to convert any security into,
- (c) otherwise deal in, or dispose of,

Shares of the class(es) described in article 3.1 above to any person, at any time and subject to any terms and conditions as the directors think proper

3.3 The authority referred to in Article 3.2

- (a) shall be limited to a maximum nominal amount of £500,000 A Shares, £10,000 B Shares and £5,000 C Shares
- (b) shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution; and
- (c) may only be exercised for a period of five years commencing on the date on which these articles are adopted, save that the directors may make an offer or agreement

which would, or might, require Shares to be allotted after the expiry of such authority (and the directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired)

4. FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS

- 4.1 Unless otherwise determined by special resolution, if the company proposes to allot any Shares (other than any Shares to be held under an employees' share scheme), those Shares shall not be allotted to any person unless the Company has first offered them to all existing shareholders on the date of the offer on the same terms, and at the same price, as those Shares are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions) The offer
- (a) shall be in writing, shall be open for acceptance for a period of 21 business days from the date of the offer and shall give details of the number and subscription price of the relevant Shares, and
 - (b) shall stipulate that any existing shareholder who wishes to subscribe for a number of Shares in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess Shares (Excess Shares) for which he wishes to subscribe

Provided that this article shall not apply in the event that the Company wishes to allot Shares for non cash consideration in which case the written approval of at least 75% of the existing shareholders, or a special resolution of the Company, must be obtained

- 4.2 Any Shares not accepted by shareholders pursuant to the offer made to them in accordance with Article 4.1 shall be used for satisfying any requests for Excess Shares made pursuant to Article 4.1 If there are insufficient Excess Shares to satisfy such requests, the Excess Shares shall be allotted to the applicants pro rata to the number of Shares held by the applicants immediately before the offer was made to the existing shareholders in accordance with Article 4.1 (as nearly as possible without involving fractions or increasing the number of excess Shares allotted to any shareholder beyond that applied for by him) After that allotment, any Excess Shares remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the existing shareholders
- 4.3 Any Shares not allotted to shareholders in accordance with Articles 4.1 and 4.2 and to section 551 of the Act, shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper
- 4.4 The provisions of sections 561 and 562 of the 2006 Act shall not apply to the allotment of equity securities by the Company

5. TRANSFER OF SHARES: GENERAL

- 5.1 No member may transfer any Share except in accordance with Article 5 3, Article 6 (Pre-emption), Article 7 (Drag Rights) or Article 8 (Compulsory Transfer) and any purported transfer in breach of this Article 5 shall be void
- 5.2 References in Article 5.1 to a transfer of any Share include a transfer or grant of any interest in any Share or of any right attaching to any Share, whether by way of sale, gift, holding on trust, declaration of trust, charge, mortgage or pledge, or in any other way, and whether at law or in equity, and also include an agreement to make any such transfer or grant or to exercise the voting rights attaching to a Share at the direction of any third party and any renunciation or other direction by a member entitled to an allotment, issue or transfer of Shares, that such Shares be allotted, issued or transferred to any other person
- 5.3 A transfer of any Share, may, unless otherwise provided in these Articles, be made at any time and at any price with the prior written consent of all the holders of A Shares subject to the fulfilment of any conditions on the basis of which any such consent is given. Where a proposed transfer relates to an A Share and transfer is to a Privileged Relation aged 18 or over or to the trustee(s) for the time being of a Family Trust acting in that capacity, then such consent is not to be unreasonably withheld or delayed.
- 5.4 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 5.5 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share
- 5.6 The company may retain any instrument of transfer which is registered
- 5.7 The transferor remains the holder of a Share until the transferee's name is entered in the register of members as holder of it.
- 5.8 The directors may refuse to register the transfer of a Share (other than a transfer expressly permitted in accordance with these Articles), and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

6. TRANSFER OF SHARES: PRE-EMPTION

6.1 A member who wishes to transfer the entire legal and beneficial interest in any A Shares registered in his name, other than under Article 5.3, Article 7 (Drag Rights) or Article 8 (Compulsory Transfer), shall first give a Sale Notice to the Company

6.2 The Sale Notice shall specify

- (a) the number of Sale Shares,
- (b) a cash price per Share at which the Sale Shares are offered for sale (which shall be their fair value as determined by such firm of accountants as the Company shall appoint under Article 9 within the period of seven days starting on the date on which the Company receives notice from the Seller that it wishes a fair value to be determined under Articles 9 and 10),
- (c) whether any third party has indicated a willingness to buy any of the Sale Shares within the period of three months prior to the date of the Sale Notice and if so, the number of Shares concerned and the date of that indication, and
- (d) the identity of any such third party together with details of any person(s) on whose behalf the Sale Shares will or may be held and (if the third party is a company or a partnership) the person(s) believed by the Seller to control that company or partnership

The Sale Notice shall also state whether or not the Seller's offer is conditional on acceptances being received for all (or any other specified percentage) of the Sale Shares, but may not otherwise be conditional

6.3 The Sale Notice shall not be revocable except with the consent of the directors, and shall constitute the Company the agent of the Seller for the sale of the entire legal and beneficial interest in the Sale Shares to the holders of A Shares on the date of the Sale Notice (other than the Seller and any member on whose behalf a Compulsory Transfer Notice has been given and any member from whom the Company has received a Sale Notice in respect of all the Shares registered in his name) in accordance with this Article 6 at the Sale Price. If the Sale Price is specified by the Seller, under Article 6.2(b), to be the fair value as determined under Articles 9 and 10 the Company shall take all reasonable steps to ensure the Accountants *make* that determination as soon as reasonably practicable after the Sale Notice has been received by it Notwithstanding the previous provisions of this Article 6.3, the Seller may within three days of receiving the notice containing details of the determination of the Sale Price revoke the Sale Notice by notice to the directors

6.4 Promptly after the Sale Notice is received (or, where the Sale Price is determined and certified by the Accountants under Articles 9 and 10, promptly after that certificate is received) the directors shall send a copy of the Sale Notice to each member to whom

the Sale Shares are to be offered Each such member shall have the right to buy Sale Shares at the Sale Price by providing the Company with an Acceptance Notice (with a copy to the Seller) within 45 days of the date of the directors' communication enclosing the copy Sale Notice, specifying the number of Sale Shares applied for. In the event that the Company does not receive an Acceptance Notice from a member within that 45 days' period, that member shall be deemed to have declined the offer made to it

- 6.5 Each Acceptance Notice received by the Company shall be irrevocable, and shall give rise to a legally binding agreement between the member giving it and the Seller That agreement shall be conditional upon acceptances being received for all or any other specified percentage of the Sale Shares only if so provided by the Sale Notice, but shall not otherwise be conditional. Under each such agreement, the relevant member shall be bound to buy, and the Seller shall be bound to sell, a number of Sale Shares determined in accordance with the provisions of Articles 6 7 and 6 8 If the aggregate number of Sale Shares so to be sold does not satisfy any acceptance condition contained in the Sale Notice, each agreement to which an Acceptance Notice gives rise shall immediately lapse
- 6.6 The Sale Shares shall be sold free from all charges, liens and encumbrances and otherwise with full title guarantee, at the Sale Price, and together with all rights attaching to the Sale Shares on or after the date of the Sale Notice, including the right to receive dividends and the right to be sold or allotted any other Shares by virtue of the holding of any of the Sale Shares
- 6.7 Each member from whom an Acceptance Notice is received by the Company shall be allocated the number of Sale Shares applied for in that Acceptance Notice, except where the aggregate number of Sale Shares applied for by all members to whom the offer is made exceeds the number of Sale Shares. In those circumstances, the Sale Shares shall be allocated to the applying members in proportion to the number of A Shares held as between those applying members on the date of the Sale Notice. The Sale Shares shall be allocated to the applying members on the basis set out above until all Sale Shares are allocated save that no member shall be allocated more Sale Shares than it has applied for Fractional entitlements to Sale Shares shall be ignored.
- 6.8 Fractions of Shares which would otherwise be allocated to members under Article 6.7 shall be consolidated and allocated by the drawing of lots in any manner thought appropriate by the directors, provided that no member shall be allocated more Shares than it has applied for. For the purposes of Article 6.3, a person to whom Shares have been allotted but who has not been registered as the holder of those Shares on the date of the Sale Notice shall be deemed to be a member of the Company and to hold those Shares on that date

- 6.9 The Company shall specify by notice given to the relevant members a time and place for completion of the sale and purchase of the Sale Shares, being not less than three and not more than 14 days after the date of receipt of the final Acceptance Notice Completion of that sale and purchase shall take place at the time and place specified in the Company's notice, when
- (a) each buying member shall pay the Seller in cash the purchase price for the Sale Shares bought by that buying member, and
 - (b) the Seller shall deliver to each such buying member a transfer in respect of the Sale Shares bought by it, duly executed in its favour by the Seller, together with the certificate(s) for the Sale Shares or an indemnity in lieu of the certificate(s) in a form satisfactory to the directors
- 6.10 if the Seller does not, on the relevant date specified by the Company in accordance with Article 6.9, execute and deliver transfers in accordance with Article 6.9(b) and/or deliver the certificate(s) for the Sale Shares (or an indemnity in lieu of those certificate(s) accordance with Article 6.9(b)), then any director shall be entitled to execute, or to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) on behalf of the Seller and, against receipt by the Company on trust for the Seller of the consideration payable for the Sale Shares, deliver those transfer(s) and certificate(s) (or indemnities) to the buying member(s) Following receipt by the Company of the consideration payable for the Sale Shares, the Company shall (subject to the payment of any stamp duty) cause the buying member(s) to be registered as the holder of those Shares and, after such registration, the validity of such proceedings shall not be questioned by any person Sections 982(2), (3) (4), (5), (7) and (9) of the Act shall apply mutatis mutandis in relation to any consideration held on trust in accordance with this Article 6.10.
- 6.11 If in respect of all or any Sale Shares the Seller's offer lapses, or is declined or deemed declined by all the members to whom it is made, then the directors shall promptly give notice to the Seller (with copies to all other members, save for Connected Persons of the Seller) specifying the number of Sale Shares concerned The Seller shall then be entitled, in pursuance of a bona fide sale, to transfer the entire legal and beneficial interest in any of those Sale Shares or (if the Sale Notice stated that the Seller's offer was conditional on acceptances being received for all or any other specified percentage of the Sale Shares) not less than all or that specified percentage of the Sale Shares, to any person, in accordance with, and within the period referred to in, Article 6.12
- 6.12 The consideration per Share payable on a transfer of Sale Shares under Article 6.11 (after allowing for any deduction, rebate or allowance to the buyer other than one equal to any dividend or distribution declared, paid or made after the date of the Sale Notice and which is not to be received by the buyer)
- (c) (where the Sale Shares are being sold solely for a consideration which is payable in cash, including by means of a loan note) shall be not less than the Sale Price, or

- (d) (in any other case) shall have a value which before that transfer is made shall have been agreed or determined under Article 6.13 to be not less than the Sale Price

The relevant transfer(s) shall be lodged for registration during the period of 30 days starting on the date of the directors' notice under Article 6.11 or, if applicable, on the date of any agreement or determination under Article 6.13

- 6.13 If the Sale Shares to be sold under Article 6.11 are not being sold solely for a consideration which is payable in cash, then the value of that consideration shall be determined by the Accountants who shall be appointed by the Company under Article 9 by no later than the date falling 14 days after the date of the directors' notice under Article 6.11, unless the value of that consideration is agreed between the Seller and the directors before the date falling seven days after the date of the directors' notice under Article 6.11

7. TRANSFERS OF SHARES: DRAG RIGHTS

- 7.1 For the purposes of this Article 7 (save as provided in Articles 7.4 and 7.5 below)

- (a) a "Qualifying Offer" means.

- (i) an offer on arm's length terms to buy the entire issued share capital, or alternatively the entire issued and to be issued share capital, of the Company, at the same consideration per Share, by any person and accepted (whether conditionally or unconditionally) by the Accepting Shareholders, or

- (ii) an agreement on arm's length terms signed (in one copy or in counterparts) by the Accepting Shareholders for the sale (whether conditional or unconditional) of their entire legal and beneficial holdings of Shares (either issued or issued and to be issued) to a person who has signed that agreement agreeing to buy those Shares. For the purposes of this Article 7, references to the means of acceptance or to acceptance by a Non-Accepting Shareholder of a "Qualifying Offer" falling within this Article 7 shall be construed as references to the means by which a Non-Accepting Shareholder shall sell Shares in accordance with Article 7,

- (b) "Qualifying Offeror" means a person who makes an offer such as is referred to in Article 7.1(a) or who agrees to buy the Shares to be sold in accordance with an agreement such as is referred to in Article 7.1(a);

- (c) "Accepting Shareholders" means the holder(s) of all of the A Shares,

- (d) "Non-Accepting Shareholder" means any person who is not an Accepting Shareholder, but is either a member of the Company or (whether or not a member) has a right (whether or not contingent or then exercisable) to acquire Shares

- 7.2 If a Qualifying Offer is made, the Accepting Shareholders may procure that the Qualifying Offeror gives notice to all Non-Accepting Shareholders to the effect that the

Qualifying Offer is made available to them as of the date of such notice. By reason of that notice the Non-Accepting Shareholders shall be required to sell or procure the sale to the Qualifying Offeror of the entire legal and beneficial ownership of the Shares registered in their names (save as set out at Article 7.4) for the same consideration as the consideration to be received by the Accepting Shareholders. The Qualifying Offeror's notice shall

- (a) give details of the consideration to be paid per Share, including an explanation of any choice of consideration offered under the terms of the Qualifying Offer and which consideration so offered will be taken as applying in default of a Non-Accepting Shareholder indicating a choice,
- (b) have attached to it a copy of the Qualifying Offer as made to the Accepting Shareholders;
- (c) give the identities of the Accepting Shareholders and the percentage of Shares held by them, and
- (d) specify the means and by when the Qualifying Offer as made to the Non-Accepting Shareholders is to be accepted, and for these purposes, more than one date may be specified in the notice to ensure that rights to acquire Shares become exercisable, provided that no date may be so specified which is less than 10 days after the date of the Qualifying Offeror's notice or which is earlier than the date on which the Qualifying Offer as made to the Accepting Shareholders becomes unconditional (or would do so but for the transfer of Shares (whether or not in issue on the date of the Qualifying Offeror's notice) held by the Non-Accepting Shareholders in accordance with Article 7.5(b)).

7.3 References in Articles 7.1 and Article 7.2 to the same consideration per Share include that the consideration shall be in the same form and of the same amount and, if the consideration is to be determined by a calculation, on the same calculation criteria, if there are to be deferred payments of consideration, on the same payment dates, and if there is to be a mixture of forms of consideration that shareholders shall be offered the same mixture in the same proportions.

7.4 Save for the covenant of full title guarantee set out in Article 7.5(b), no Non-Accepting Shareholder shall be required to give or make any warranty, representation, indemnity or covenant (including, without limitation, restrictive covenants). The requirement that the Qualifying Offer should be at the same consideration per Share shall not be regarded as not being satisfied merely because.

- (a) the dates on which the Qualifying Offer is made to persons may differ,
- (b) the dates on which the Non-Accepting Shareholders are required to transfer their Shares may differ from the dates applicable to the Accepting Shareholders, or
- (c) some or all of the Accepting Shareholders give or make warranties, representations, indemnities or covenants (including, without limitation, restrictive covenants) which are

not to be given or made by any other Accepting Shareholder or by all of the Non-Accepting Shareholders,

and in determining the consideration to be paid by the Qualifying Offeror to the Non-Accepting Shareholders, the circumstances of the proposed sale to the Accepting Shareholders as a whole shall be taken into account

7.5 Each Non-Accepting Shareholder shall, on the receipt of a notice given by the Qualifying Offeror under Article 7.2

- (a) cease to be entitled (if then entitled to do so) to give a Sale Notice under Article 6 1 (Pre-emption) or to transfer the legal or beneficial interest in any Share under Article 5 3, and
- (b) sell to the Qualifying Offeror (or its nominee) with full title guarantee and free from all encumbrances at the consideration per Share payable by the Qualifying Offeror specified in the notice all Shares registered in his name on the date for acceptance of the Qualifying Offer specified in the Qualifying Offeror's notice (and/or the last such date if more than one date is so specified), and shall on that date (or each such date as the case may be) execute and deliver to the Company transfers in respect of those Shares, any other documents necessary to accept the Qualifying Offer and the certificate(s) in respect of those Shares (or an indemnity in lieu of those certificate(s) in a form satisfactory to the directors)

7.6 If any Non-Accepting Shareholder, whether or not a member on the date of the notice given to him under Article 7.2, does not cause the Company to receive on any relevant date specified by the Qualifying Offeror in accordance with Article 7.2 any of the documents referred to in Article 7.5(b), then any director shall be entitled to

- (a) execute the documents in question on that Non-Accepting Shareholder's behalf; and
- (b) against receipt by the Company on trust for that Non-Accepting Shareholder of the consideration payable for the relevant Shares, deliver those documents to the Qualifying Offeror

Following receipt by the Company of the consideration payable for those Shares, the Company shall (subject to the payment of any stamp duty) cause the Qualifying Offeror to be registered as the holder of those Shares and, after such registration, the validity of such proceedings shall not be questioned by any person. Sections 982(2), (3), (4), (5), (7) and (9) of the Act shall apply mutates mutandis in relation to any consideration held on trust in accordance with Article 7.6(b).

- 7.7 Acceptances of a Qualifying Offer and transfers of Shares, whether by Accepting Shareholders or Non-Accepting Shareholders, in accordance with this Article 7, are not subject to the provisions of Article 6 (Pre-emption on the Transfer of Shares)

8. COMPULSORY TRANSFERS -LEAVERS

- 8.1 For the purposes of these Articles, a Compulsory Transfer Event shall occur in relation to a holder of B Shares and or C Shares if that person becomes a Leaver, unless the directors resolve within 30 days of the individual becoming a Leaver that this Article 8.1 shall not apply

- 8.2 Any director may, on behalf of a Compulsory Seller, give a Compulsory Transfer Notice to all of the members at any time during the period of 60 days starting on the date when that director becomes aware of that Compulsory Transfer Event

- 8.3 The director may give more than one Compulsory Transfer Notice in relation to any Compulsory Transfer Event (provided such Compulsory Transfer Notices apply to different Compulsory Transfer Shares) and the provisions of this Article shall apply independently to the Shares which are the subject of each such Compulsory Transfer Notice so given Each Compulsory Transfer Notice shall

- (a) identify the Compulsory Seller and the number and class of the Compulsory Transfer Shares,
- (b) constitute an in-evocable and unconditional offer to sell the specified Compulsory Transfer Shares on the terms set out in this Article 8 and specify the persons to whom the Compulsory Transfer Shares are to be offered pursuant to Article 8.4;
- (c) state that the price of the Compulsory Transfer Shares shall be their par value,
- (d) set out a summary of the procedure to be adopted for the sale and purchase of the Compulsory Transfer Shares pursuant to this Article 8 the way in which the Compulsory Transfer Shares will be allocated pursuant to Article 8.7;

and may contain any further information deemed by the director giving the Compulsory Transfer Notice to be necessary or expedient in the circumstances

- 8.4 The offer contained in the Compulsory Transfer Notice shall be made.

- (a) to the Company, which shall have the right to indicate its intention (subject to any specified conditions) to accept any or all of the Compulsory Transfer Shares offered to it by notice given by it to all members containing the information required by Article 8.5, and
- (b) to all holders of A Shares, who shall have the right to accept any or all of the Compulsory Transfer Shares offered to them by notice to the Company,

A person shall be deemed to have declined an offer made to it under the preceding provisions of this Article 8.4 to the extent that acceptance of the offer is not received (or, in the case of an offer to the Company under Article 8.4(a), a notice indicating an intention to accept, is not received) in accordance with this Article within the relevant period of time. An accepting person's notice shall specify the number of Compulsory Transfer Shares applied for.

8.5 A notice given by the Company under Article 8.4(a) shall specify

- (a) the number of Shares which the Company intends to acquire,
- (b) the procedure (determined in accordance with Article 8.8) to be adopted by the Company to enable the purchase of such Shares;
- (c) the timetable within which it is intended the acquisition of the Buy-back Shares will be completed, and
- (d) a long-stop date, being not more than 45 days after the date of the notice given by the Company under Article 8.4(a)

In the event that either (a) a lawful and legally binding unconditional contract between the Company and the Compulsory Seller ("Buy-back Agreement") to acquire any or all of the Shares specified (pursuant to Article 8.5(a)) in the notice given by the Company under Article 8.4(a) ("Buy-back Shares") has not been entered into by the long-stop date specified in accordance with Article 8.5(d) or (b) prior to the long-stop date specified in Article 8.5(d) the Company decides that it no longer wishes to acquire any Shares, then the notice given by the Company pursuant to Article 8.4(a) shall automatically be revoked, the Company shall give notice of such revocation to all the members without delay and any Shares the subject of a notice given by the Company under Article 8.4(a) shall be available to be allocated to the holders of A Shares pursuant to Article 8.7(b).

8.6 Each notice received by the Company under Article 8.4(b) shall, subject to the terms of this Article 8, be irrevocable, and shall give rise to a legally binding and unconditional agreement between the person giving it and the Compulsory Seller. A notice given by the Company under Article 8.4(a) shall not give rise to a legally binding agreement between the Company and the Compulsory Seller, but shall indicate the conditional intention of the Company to accept the offer made to it under Article 8.4(a). Under any agreement arising pursuant to this Article 8.6 as a result of a notice received by the Company under Article 8.4(b) or under any Buy-back Agreement, the person accepting the offer or the Company (as appropriate) shall be bound to buy, and the Compulsory Seller shall be bound to sell the number of Compulsory Transfer Shares applied for or the subject of the Buy-back Agreement, except where the aggregate of (a) the number of Compulsory Transfer Shares applied for by all persons under Article 8.4(b); and (b) the number of Compulsory Transfer Shares the subject of any Buy-back Agreement, exceeds the total number of Compulsory Transfer Shares. In those circumstances, the Compulsory Transfer Shares shall be allocated in accordance with Article 8.7.

- 8.7 If the aggregate of (a) the number of Shares applied for under Article 8.4(b), and (b) the number of Shares the subject of any Buy-back Agreement, exceeds the number of Compulsory Transfer Shares then the Compulsory Transfer Shares shall be allocated as follows
- (a) to satisfy to the extent possible the number of Shares the subject of any Buy-back Agreement following an offer made under Article 8.4(a), and
 - (b) to the extent that there remain any Compulsory Transfer Shares unallocated following offers made under Article 8.4(a), to satisfy, to the extent possible, the number of Compulsory Transfer Shares applied for by each member pursuant to an offer made under Article 8.4(b), except where the aggregate number of Shares applied for by all persons to whom the offer is made under Article 8.4(b) exceeds the number of Compulsory Transfer Shares available to be allocated under this Article 8.7(b), in which case the Compulsory Transfer Shares available to be allocated under this Article 8.7(b) shall be allocated to the applying members in proportion to the number of A Shares held as between those applying members on the date of the Compulsory Transfer Notice. The Compulsory Transfer Shares available to be allocated under this Article 8.7(b) shall be allocated to the applying members on the basis set out above until all Compulsory Transfer Shares are allocated save that no member shall be allocated more Compulsory Transfer Shares than it has applied for. Fractional entitlements to Shares shall be ignored. Fractions of Shares which would otherwise be allocated to members under this Article 8.7(b) shall be consolidated and allocated by the drawing of lots in any manner thought appropriate by the directors, provided that no member shall be allocated more Shares than it has applied for.

In each case the Compulsory Transfer Shares shall be sold on and subject to the provisions of Articles 8.9, 8.10, and 8.11

- 8.8 If the Company gives notice under Article 8.4(a) that it intend(s) to buy any Compulsory Transfer Shares, the directors (other than the Compulsory Seller or (if different) any director who is the person to whom the Compulsory Transfer Event in question has occurred or any director appointed by the Compulsory Seller or any such person) shall in accordance with the provisions of this Article 8 determine a timetable and procedure for such purchase and the members shall comply with any requirements of the directors (as to voting of their Shares or otherwise) to give effect to that purchase. In the event that any member refuses so to comply, then any director shall be entitled to do anything on behalf of such member (including without limitation appointing any person as that member's proxy at any general meeting of the Company or signifying that member's agreement to and authenticating on behalf of that member any written resolution of the Company) in order to give effect to this Article 8.8
- 8.9 The Compulsory Transfer Shares shall be sold free from all charges, liens and encumbrances and otherwise with full title guarantee, at the par value, and together with

all rights attaching to such Shares on or after the date of the Compulsory Transfer Notice, including the right to receive dividends and the right to be sold or allotted any other Shares by virtue of the holding of any of the Compulsory Transfer Shares

8.10 The Company shall specify by notice given to the members (or other persons, if any) acquiring Compulsory Transfer Shares pursuant to this Article 8 and the Compulsory Seller, a time and place for completion of the sale and purchase of the Compulsory Transfer Shares. Where the Company does not give a notice under Article 8.4(a) indicating its intention to purchase Compulsory Transfer Shares, completion shall take place not less than three and not more than 14 days after the date on which the final notice is received by the Company under Article 8.4(b) If the Company gives notice under Article 8.4(a) indicating its intention to purchase Compulsory Transfer Shares, then

- (a) where some or all of the Compulsory Transfer Shares are being acquired by the Company under a Buy-back Agreement, completion of the sale and purchase of the Buy-back Shares and any Compulsory Transfer Shares to be sold pursuant to acceptances received under Article 8.4(b), shall take place at the same time, where appropriate in accordance with the provisions of the Buy-back Agreement, but in any event on a date not later than 7 days after the long-stop date specified in the directors' notice pursuant to Article 8.5(d), or
- (b) where any notice given by the Company under Article 8.4(a) is automatically revoked in accordance with Article 8.5, completion of the sale and purchase of all of the Compulsory Transfer Shares to be sold pursuant to acceptances received under Article 8.4(b), shall take place on the date falling not less than three and not more than 14 days after the date of the Company's notice under Article 8.5 informing members of such revocation,

when

- (c) each person acquiring Compulsory Transfer Shares shall pay the Compulsory Seller in cash the purchase price for the Shares bought by that person, and
- (d) the Compulsory Seller shall deliver to each person acquiring Compulsory Transfer Shares, a transfer in respect of the Shares bought by it, duly executed in its favour by the Compulsory Seller, together with the certificate(s) for the Shares being sold or an indemnity in lieu of the certificate(s) in a form satisfactory to the directors.

8.11 If the Compulsory Seller does not, (where relevant) execute and deliver the Buy-back Agreement in accordance with any procedure or timetable determined by the directors under Article 8.8 and/or, execute and deliver the transfers in accordance with Article 8.10 and/or deliver the certificate(s) for the Compulsory Transfer Shares (or an indemnity in lieu of those certificate(s) in accordance with Article 8.10), then any director shall be entitled to execute, or to authorise and instruct such person as he thinks fit to execute, (where relevant) the Buy-back Agreement and/or the necessary transfer(s) on behalf of the Compulsory Seller and, against receipt by the Company on trust for the Compulsory Seller of the consideration

payable for the Compulsory Transfer Shares, deliver (where relevant) the Buy-back Agreement, those transfer(s) and certificate(s) (or indemnities) to the Company and the relevant purchaser (as appropriate) Following receipt by the Company of the consideration payable for the Compulsory Transfer Shares, the Company shall (subject to the payment of any stamp duty) cause the relevant purchaser(s) (other than the Company itself where the sale of Shares is to the Company pursuant to a Buy-back Agreement) to be registered as the holder of those Shares and, after such registration, the validity of such proceedings shall not be questioned by any person Sections 982(2), (3), (4), (5), (7) and (9) of the Act shall apply mutates mutandis in relation to any consideration held on trust in accordance with this Article 8.11

8.12 Subject to the provisions of Article 8.13 the Compulsory Transfer Shares shall be subject to the restrictions set out in section 454 Companies Act 1985 , until sold under this Article 8 or otherwise agreed by the directors

8.13 In any circumstance where a sale process pursuant to Article 7 is underway and a Compulsory Transfer Event occurs in relation to any member then this Article 8 shall not apply and the sale process underway pursuant to Article 7 shall continue in accordance with the provisions of that Article If following the conclusion of such sale process (including without limitation the completion of the sale and purchase of the last of the Shares to be bought and sold pursuant to that Article or the lapse of such process in accordance with the terms of Article 7 or otherwise the termination of such process with the consent of the members of the Company) the relevant Compulsory Seller still holds or is entitled to Shares by reason of a transmission, or any person subsequently acquires Shares in pursuance of the rights or interests of the person to whom the Compulsory Transfer Event has occurred and therefore becomes a Compulsory Seller, then the provisions of this Article 8 shall then apply in relation to those Shares save that the time period within which any director shall be entitled to serve any Compulsory Transfer Notice on behalf of such Compulsory Seller pursuant to Article 8.2 shall be the later of (a) the relevant time period set out in Article 8.2; and (b) 30 days following the date on which the sale process pursuant to Article 7 has concluded

9. ACCOUNTANTS

9.1 Where these Articles provide for a valuation to be determined by a firm of accountants who are to be appointed by the Company under this Article 9 within a specified period of time

- (a) the Company shall appoint a firm of chartered accountants (which may be the Company's auditors if they are able and willing to act) within the specified period of time; or
- (b) if no such firm is appointed within the period of time specified, a firm of chartered accountants shall be nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales and the Company shall appoint such firm

- 9.2 The Company shall use all reasonable efforts to ensure that the valuation is determined by the Accountants as quickly as possible. The Accountants shall act as experts and not as arbitrators, shall not be obliged to give reasons for their valuations and their certificate shall, save in the case of manifest error or fraud, be final and binding on the Company and all members, and their costs shall be borne by the Company. The Company shall ensure that a notice containing details of any determination under this Article 9 is promptly given to each member.

10. FAIR VALUE DETERMINATION

- 10.1 Where the fair value of any Share is to be determined under this Article, it shall be its fair value as certified by the Accountants as at the date when the Sale Notice is received by the Company or, as the case may be, the Compulsory Transfer Notice is deemed to be given. In giving any such certificate, the Accountants shall.
- (a) apply no premium or discount in relation to the size of any holding;
 - (b) assume a willing seller, and
 - (c) assume the sale takes place between a buyer and a seller at arm's length,
 - (d) assume, if the Company is then carrying on business as a going concern, that it will continue to do so, and
 - (e) ignore any restrictions on transfer contained in these Articles.

11. DIRECTORS' MEETINGS

- 11.1 A decision of the directors must be taken at a meeting of directors in accordance with the Act. All decisions made at any meeting of the directors shall be made only by resolution and resolutions at any meeting of the directors shall be decided by a majority of votes. Where there is only one director such decision is taken when that director comes to a view on the matter.
- 11.2 The quorum for the transaction of business at a meeting of directors is any two directors, however if there is only one director in office, the quorum for such meeting shall be one director when the Company has only two directors, and the board is considering whether to authorise a conflict pursuant to article 7, the quorum for those purposes shall be one (but the director having the conflict shall not vote or count towards the quorum).
- 11.3 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall have a casting vote.

12. DIRECTORS' DEALINGS WITH THE COMPANY

- 12.1 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 Act
- 12.2 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 Act unless the interest has already been declared in accordance with article 12.1 above
- 12.3 Subject to sections 177(5), 177(6), 182(5) and 182(6) of the Act, the disclosures required under articles 12.1 and 12.2 and any terms and conditions imposed by the directors, 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 so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present
- 12.4 A director need not declare an interest under articles 12.1 and 12.2 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 that, 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
- 12.5 A director shall be authorised for the purposes of section 175 of the Companies Act 2006 to act or continue to act as a director of the Company notwithstanding that at the time of his appointment or subsequently he also holds office as a director of any other Group Company

13. DIRECTORS' CONFLICTS OF INTEREST

- 13.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest provided that the required quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director (**Conflict**)

- 13.2 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation 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 limns 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

- 13.3 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation 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

- 13.4 Where the directors authorise a Conflict they may (*whether at the time of giving the authorisation or subsequently*) provide, without limitation, 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

- 13.5 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 insofar as he does not do so their authorisation will no longer be valid, and
 - (b) the director will not infringe any duty he owes to the company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation and provided that the conflicted director is not in breach of his duties set out in s171 to 177 of the Act otherwise than by reason of the mere existence of the conflict

13.6 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.

14. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means (including but not limited to telephone, text message or e-mail), such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

15.1 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any limitation. When the minimum number of directors shall be one, a sole director may exercise all powers and authorities vested in the directors by the Model Articles and by these articles

15.2 ALTERNATE DIRECTORS

15.2.1 Any director (other than an *alternate* director) (in *this* article, the appointor) may appoint any person (whether or not a director) to be an alternate director to exercise that director's powers, and carry out that director's responsibilities, in relation to the taking of decisions by the directors, in the absence of the alternate's appointor

15.2.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors

15.2.3 The notice must

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.

15.2.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's appointor

15.2.5 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors,

- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors *and* of all *meetings* of committees of directors of which his appointor is a member.

15.2.6 A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating); and
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, and does not himself participate)

15.2.7 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision)

15.2.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's appointor as the appointor may by notice in writing to the Company from time to time direct

15.2.9 An alternate director's appointment as an alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate, on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director, or
- (b) when the alternate director's appointor ceases to be a director for whatever reason

16. APPOINTMENT OF DIRECTORS

In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director

17. SECRETARY

The Company is not required to have a secretary, but the directors may choose to appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

18. RIGHT TO DEMAND A POLL

- 18.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 18.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article

19. PROXIES

- 19.1 Article 45(1) (d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be *exercised* and *in* accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"

20. NOTICE

- 20.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted,
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
 - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
 - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this article, no account shall be taken of any part of a day that is not a working day

- 20.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

21. INDEMNITY

- 21.1 Subject to article 21.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

(a) each relevant officer shall be indemnified out of the Company's assets against all costs,

charges, losses, expenses and liabilities incurred by him as a relevant officer:

(i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and

(ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment 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, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs, but not including any of the matters set out in section 234 (3) of the Act; and

(b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 21 1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

- 20.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

- 20.3 In this article

companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as

auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

21. INSURANCE

In accordance with section 233 of the Act, the directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any liability attaching to him which relates to the Company

22. TRANSFER OF SHARES – SECURED INSTITUTIONS

22.1 Notwithstanding any provision in these articles to the contrary, the directors of the Company may not decline to register any transfer of shares in the Company and may not suspend any registration thereof, where such transfer is:

- (a) to a bank or institution to which such shares have been mortgaged or charged by way of security (whether as lender, or agent and trustee for a group of banks or institutions or otherwise) (a "**Secured Institution**"), or to any nominee of such Secured Institution, pursuant to any such security;
- (b) executed by a Secured Institution or its nominee pursuant to the power of sale or other power under any such security; or
- (c) executed by a receiver or manager appointed by or on behalf of any Secured Institution or its nominee, under any such security,

and furthermore, notwithstanding anything to the contrary contained in these articles:

- (d) no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or to its nominee;
- (e) no Secured Institution or its nominee; and
- (f) no receiver or manager appointed by or on behalf of a Secured Institution or its nominee,

shall be required to offer the shares which are or are to be the subject of any such transfer to the members for the time being of the Company or any of them, and no such member shall have any right under these articles or otherwise to require such shares to be transferred to them whether for consideration or not.

22.2 The Company and the directors shall not be entitled to exercise any lien which the Company has in respect of shares:

- (a) held by any Secured Institution to which such shares have been mortgaged or charged by way of security or to any nominee of such Secured Institution; or
- (b) being transferred as described in Article 22.1.